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PROSPECTUS
Dated November 24, 2023
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)

Corporate Identity Number: U65100DL1987GOI027265

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL AND TELEPHONE	WEBSITE
India Habitat Centre, East Court, Core 4A, 1st Floor, Lodhi Road, New Delhi – 110 003, India	3rd Floor, August Kranti Bhavan, Bhikaji Cama Place, New Delhi – 110 066, India	Ekta Madan, *Company Secretary and Compliance Officer*	**E-mail**: equityinvestor2023@ireda.in **Telephone**: +91 11 2468 2206 / 2468 2219	www.ireda.in

OUR PROMOTER: THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF NEW AND RENEWABLE ENERGY, GOVERNMENT OF INDIA

DETAILS OF THE OFFER TO PUBLIC

TYPE	FRESH ISSUE SIZE	OFFER FOR SALE SIZE	TOTAL OFFER SIZE	ELIGIBILITY AND SHARE RESERVATION AMONG QIBS, NIIS, RIIS AND ELIGIBLE EMPLOYEES
Fresh Issue and Offer for Sale	403,164,706* Equity Shares of face value ₹10 each aggregating to ₹12,901.27 million*	268,776,471* Equity Shares of face value ₹10 each aggregating to ₹8,600.85 million*	671,941,177* Equity Shares of face value ₹10 each aggregating to ₹21,502.12 million*	The Offer is being made pursuant to Regulation 6(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"). For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility for the Offer*" on page 589. For details in relation to share reservation among Qualified Institutional Buyers, Non-Institutional Investors, Retail Individual Investors and Eligible Employees, see *"Offer Structure"* on page 620.

** Subject to finalisation of Basis of Allotment*

DETAILS OF THE OFFER FOR SALE

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT	WEIGHTED AVERAGE COST OF ACQUISITION ON A FULLY DILUTED BASIS (IN ₹ PER EQUITY SHARE)^
The President of India, acting through the Ministry of New and Renewable Energy, Government of India.	Promoter Selling Shareholder	268,776,471* Equity Shares of face value ₹10 each aggregating to ₹8,600.85 million*	10.00

^ The above details have been certified by DSP & Associates, Chartered Accountants, our Statutory Auditors, pursuant to the certificate dated November 24, 2023.
** Subject to finalisation of Basis of Allotment*

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price as determined by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Offer Price*" on page 118, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to *"Risk Factors"* on page 34.

ISSUER'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms only statements specifically made by it in this Prospectus solely in relation to itself and the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. However, the Promoter Selling Shareholder, assumes no responsibility for any other statements and undertakings, made by or relating to our Company or our business or any other person, in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges, being the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**"). Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated October 3, 2023. For the purpose of the Offer, the Designated Stock Exchange shall be NSE.

BOOK RUNNING LEAD MANAGERS

Name of the BRLM and logo	Contact Person(s)	Email and Telephone
IDBI CAPITAL MARKETS & SECURITIES LIMITED	Indrajit Bhagat / Suhas Satardekar	**E-mail:** ireda.ipo@idbicapital.com **Telephone**: +91 22 2217 1953
BOB CAPITAL MARKETS LIMITED	Nivedika Chavan	**E-mail:** ireda.ipo@bobcaps.in **Telephone**: +91 22 6138 9353
SBI CAPITAL MARKETS LIMITED	Vaibhav Shah	**E-mail:** ireda.ipo@sbicaps.com **Telephone**: +91 22 4006 9807

REGISTRAR TO THE OFFER

Name of the Registrar	Contact Person	Email and Telephone
Link Intime India Private Limited	Shanti Gopalkrishnan	**E-mail:** indianrenergy@linkintime.co.in **Telephone**: +91 81 0811 4949

BID/OFFER PERIOD

ANCHOR INVESTOR BID/ OFFER DATE	Monday, November 20, 2023	**BID/OFFER OPENED ON**	Tuesday, November 21, 2023	**BID/OFFER CLOSED ON***	Thursday, November 23, 2023

** UPI mandate end time and date was at 5.00 p.m. on the Bid/Offer Closing Date.*

PROSPECTUS
Dated November 24, 2023
Please read section 32 of the Companies Act, 2013
100% Book Built Offer

IREDA

INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)

Our Company was incorporated in Delhi as "Indian Renewable Energy Development Agency Limited", a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 11, 1987, issued by the Registrar of Companies, Delhi and Haryana ("**RoC**"). Our Company received a certificate of commencement of business dated March 21, 1987, by the RoC. Our Company was notified as a public financial institution under Section 4A of the Companies Act, 1956 by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India on October 17, 1995. Further, the Reserve Bank of India ("**RBI**") granted a certificate of registration to our Company on January 23, 2008 permitting us to commence/carry on the business of non-banking financial institution without accepting public deposits, and classified as an investment and credit company, which was further reclassified as an infrastructure finance company on March 13, 2023. For further details in relation to changes in the registered office of our Company, see "*History and Certain Corporate Matters – Changes in the Registered Office*" on page 277.

Registered Office: India Habitat Centre, East Court, Core 4A, 1st Floor, Lodhi Road, New Delhi – 110 003, India; **Telephone**: +91 11 2468 2214
Corporate Office: 3rd Floor, August Kranti Bhavan, Bhikaji Cama Place, New Delhi – 110 066, India; **Telephone**: +91 11 2671 7400 / 2671 7412
Contact Person: Ekta Madan, Company Secretary and Compliance Officer;
Telephone: +91 11 2468 2206 / 2468 2219; **E-mail:** equityinvestor2023@ireda.in; **Website**: www.ireda.in
Corporate Identity Number: U65100DL1987GOI027265

OUR PROMOTER: THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF NEW AND RENEWABLE ENERGY, GOVERNMENT OF INDIA

INITIAL PUBLIC OFFER OF 671,941,177* EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹32 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹22 PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING TO ₹21,502.12 MILLION*, COMPRISING A FRESH ISSUE OF 403,164,706* EQUITY SHARES AGGREGATING TO ₹12,901.27 MILLION* BY OUR COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 268,776,471* EQUITY SHARES AGGREGATING TO ₹8,600.85 MILLION* BY THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF NEW AND RENEWABLE ENERGY, GOVERNMENT OF INDIA ("PROMOTER SELLING SHAREHOLDER") ("OFFER FOR SALE", AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER").

THIS OFFER INCLUDED A RESERVATION OF 1,875,420* EQUITY SHARES AGGREGATING TO ₹60.01 MILLION* (CONSTITUTING 0.07% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS "NET OFFER". THE OFFER AND THE NET OFFER WOULD CONSTITUTE 25.00% AND 24.93%, RESPECTIVELY, OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE OFFER PRICE IS ₹32 PER EQUITY SHARE AND IS 3.20 TIMES THE FACE VALUE OF THE EQUITY SHARES.
** Subject to finalisation of Basis of Allotment*

The Offer was made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**, the "**QIB Portion**"), provided that our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Price at which allocation has been made to Anchor Investors ("**Anchor Investor Allocation Price**"). Further, 5% of the Net QIB Portion (other than Anchor Investor Portion) ("**Net QIB Portion**") was available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids having been received at or above the Offer Price, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. However, if the aggregate demand from Mutual Funds was less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion shall be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer was available for allocation to Non-Institutional Bidders ("**Non-Institutional Portion**") out of which (a) one-third of such portion was reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds of such portion was reserved for Bidders with application size of more than ₹1,000,000, provided that the unsubscribed portion, if any, in either of such sub-categories shall be allocated to applicants in the other sub-category of Non-Institutional Bidders, and not less than 35% of the Net Offer was available for allocation to Retail Individual Bidders ("**Retail Portion**") in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price. Further, Equity Shares shall be allocated on a proportionate basis to the Eligible Employees who applied under the Employee Reservation Portion, subject to valid Bids having been received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective ASBA Accounts (*as defined hereinafter*), and UPI ID in case of UPI Bidders (*as defined hereinafter*) using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts was blocked by the SCSBs or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Offer through the ASBA process. For details, see *"Offer Procedure*" on page 624.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of Equity Shares of our Company, there has been no formal market for the Equity Shares. The face value of each Equity Share is ₹10. The Floor Price, Cap Price and Offer Price (determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process as stated in "*Basis for Offer Price*" on page 118) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and Bidders should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Bidders are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, Bidders must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have neither been recommended, nor approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the Bidders is invited to "*Risk Factors*" on page 34.

COMPANY'S AND PROMOTER SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholder, accepts responsibility for and confirms only statements specifically made by it in this Prospectus solely in relation to itself and the Offered Shares and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. However, the Promoter Selling Shareholder, assumes no responsibility for any other statements and undertakings, made by or relating to our Company or our business or any other person, in this Prospectus.

LISTING

The Equity Shares offered through the Red Herring Prospectus and this Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated October 3, 2023. For the purpose of the Offer, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus was filed with the RoC in accordance with Section 32 of the Companies Act, 2013, as amended, and a signed copy of this Prospectus shall be filed with the RoC. For details of the material contracts and documents which were available for inspection from the date of the Red Herring Prospectus up to the Bid/Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 653.

BOOK RUNNING LEAD MANAGERS			**REGISTRAR TO THE OFFER**
IDBI capital	BOBCAPS TRUST | INNOVATION | EXCELLENCE	SBICAPS Complete Investment Banking Solutions	LINKIntime
IDBI Capital Markets & Securities Limited 6th Floor, IDBI Tower WTC Complex Cuffe Parade Mumbai – 400 005, Maharashtra, India **Telephone:** +91 22 2217 1953 **E-mail:** ireda.ipo@idbicapital.com **Investor Grievance E-mail:** redressal@idbicapital.com **Website:** www.idbicapital.com **Contact Person:** Indrajit Bhagat/ Suhas Satardekar **SEBI Registration Number:** INM000010866	**BOB Capital Markets Limited** 1704, B Wing, 17th Floor Parinee Crescenzo, Plot No.C- 38/39, G Block Bandra Kurla Complex, Bandra East Mumbai – 400 051, Maharashtra, India **Telephone:** +91 22 6138 9353 **E-mail:** ireda.ipo@bobcaps.in **Investor Grievance E-mail:** investorgrievance@bobcaps.in **Website:** www.bobcaps.in **Contact Person:** Nivedika Chavan **SEBI Registration Number:** INM000009926	**SBI Capital Markets Limited** 1501, 15th floor, A&B Wing Parinee Crescenzo, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India **Telephone:** +91 22 4006 9807 **E-mail:** ireda.ipo@sbicaps.com **Investor grievance e-mail:** investor.relations@sbicaps.com **Website:** www.sbicaps.com **Contact Person:** Vaibhav Shah **SEBI Registration Number:** INM000003531	**Link Intime India Private Limited** C 101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083, Maharashtra, India **Telephone:** +91 81 0811 4949 **E-mail:** indianrenergy@linkintime.co.in **Investor Grievance E-mail:** indianrenergy@linkintime.co.in **Website:** www.linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration Number:** INR000004058

BID/OFFER PROGRAMME	
ANCHOR INVESTOR BID/OFFER DATE	Monday, November 20, 2023
BID/OFFER OPENED ON	Tuesday, November 21, 2023
BID/OFFER CLOSED ON*	Thursday, November 23, 2023

** UPI mandate end time and date was at 5.00 p.m. on the Bid/Offer Closing Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislations, acts, regulations, rules, guidelines, circulars, notifications, clarifications or policies shall be to such legislations, acts, regulations, rules, guidelines or policies as amended, updated, supplemented, re-enacted or modified, from time to time, and any reference to a statutory provision shall include any subordinate legislation framed, from time to time, under that provision.

The words and expressions used in this Prospectus, but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the SEBI Act, SEBI Listing Regulations, the Companies Act, the SCRA, and the Depositories Act and the rules and regulations framed thereunder. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

The terms not defined herein but used in "Description of Equity Shares and Terms of the Articles of Association", "Objects of the Offer", "Statement of Special Tax Benefits", "Industry Overview", "Key Regulations and Policies in India", "History and Certain Corporate Matters", "Basis for Offer Price", "Restated Financial Information", "Financial Indebtedness", "Outstanding Litigation and Material Developments", "Other Regulatory and Statutory Disclosures" and "Offer Procedure", on pages 647, 112, 131, 136, 264, 277, 118, 321, 567, 573, 589 and 624, respectively, shall have the meanings ascribed to such terms in the respective sections.

General terms

Term	Description
"our Company", "the Company", "the Issuer" or "IREDA"	Indian Renewable Energy Development Agency Limited, a company incorporated under the Companies Act, 1956 and having its registered office at India Habitat Centre, East Court, Core 4A, 1st Floor, Lodhi Road, New Delhi – 110 003, India and corporate office at 3rd Floor, August Kranti Bhavan, Bhikaji Cama Place, New Delhi – 110 066, India
"we", "us" or "our"	Unless the context otherwise indicates or implies, refers to our Company. With respect to the financial year ended March 31, 2021, references to "we"/ "us"/ "our" refers to our Company and M.P. Windfarms Limited, the erstwhile associate of our Company. For further details, see "*History and Certain Corporate Matters*" on page 277

Company related terms

Term	Description
"Articles of Association" or "AoA" or "Articles"	Articles of association of our Company, as amended from time to time
Audit Committee	Audit committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board*" on page 292
"Auditors" or "Statutory Auditors"	Statutory auditors of our Company, namely, DSP & Associates, Chartered Accountants
"Board" or "Board of Directors"	Board of directors of our Company as constituted from time to time. For further details, see "*Our Management – Board of Directors*" on page 284
CAG	Comptroller and Auditor General of India
Chairman and Managing Director	The chairman and managing director of our Company, Pradip Kumar Das. For further details, see "*Our Management – Board of Directors*" on page 284
"Chief Financial Officer" or "CFO"	The chief financial officer of our Company, Dr. Bijay Kumar Mohanty. For details, *see "Our Management – Key Managerial Personnel of our Company"* on page 300
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, Ekta Madan. For details, *see "General Information – Company Secretary and Compliance Officer"* and *"Our Management – Key Managerial Personnel of our Company"* on pages 89 and 300, respectively
Corporate Office	The corporate office of our Company located at 3rd Floor, August Kranti Bhavan, Bhikaji Cama Place, New Delhi – 110 066, India
"Corporate Social Responsibility Committee" or "CSR Committee"	Corporate social responsibility committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013
Director(s)	The Director(s) on the Board of our Company. For further details, see "*Our Management – Board of Directors*" on page 284

Term	Description
Director (Finance)	The director (finance) of our Company, Dr. Bijay Kumar Mohanty. For further details, see "*Our Management – Board of Directors*" on page 284
Equity Shares	Unless otherwise stated, equity shares of our Company bearing face value of ₹10 each
Functional Director(s)	Executive director(s) of our Company. For further details, see "*Our Management – Board of Directors*" on page 284
Government Nominee Director(s)	Non-executive non-independent directors of our Company nominated by the Government of India. For further details, see "*Our Management – Board of Directors*" on page 284
Independent Director(s)	Independent director(s) of our Company. For further details, see "*Our Management – Board of Directors*" on page 284
IPO Committee	The IPO committee of our Board
"Key Managerial Personnel" or "KMP"	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, as described in "*Our Management – Key Managerial Personnel of our Company*" on page 300
Materiality Policy	The policy adopted by our Board on June 21, 2023, for identification of: (a) outstanding material litigation proceedings; and (b) material creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in the Draft Red Herring Prospectus, the Red Herring Prospectus and this Prospectus
"Memorandum of Association" or "MoA"	Memorandum of association of our Company, as amended from time to time
MNRE	Ministry of New and Renewable Energy, Government of India
"Nomination and Remuneration Committee" or "NRC Committee"	Nomination and remuneration committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board*" on page 292
"Promoter" or "Promoter Selling Shareholder"	The President of India, acting through the Ministry of New and Renewable Energy, Government of India
Registered Office	The registered office of our Company located at India Habitat Centre, East Court, Core 4A, 1st Floor, Lodhi Road, New Delhi – 110 003, India
"Registrar of Companies" or "RoC"	The Registrar of Companies, Delhi and Haryana located at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi-110 019
Restated Financial Information	'Restated Financial Information' of the Company and its erstwhile associate M. P. Windfarms Limited (together, the "**group**") means: The restated standalone statements of assets and liabilities of the Company as at September 30, 2023, September 30, 2022, March 31, 2023 and March 31, 2022, restated standalone statements of profit and loss (including other comprehensive income) for the six months ended September 30, 2023 and September 30, 2022, and financial years ended March 31, 2023 and March 31, 2022, restated standalone statements of changes in equity for the six months ended September 30, 2023 and September 30, 2022, and for the financial years ended March 31, 2023 and March 31, 2022, restated standalone cash flow statements for the six months ended September 30, 2023 and September 30, 2022, and for the financial years ended March 31, 2023 and March 31, 2022, the summary statements of material accounting policies and other explanatory information, and the restated consolidated statement of assets and liabilities of the group as at March 31, 2021, restated consolidated statement of profit and loss (including other comprehensive income) for the financial year ended March 31, 2021, restated consolidated statement of changes in equity for the financial year ended March 31, 2021, restated consolidated cash flow statement for the financial year ended March 31, 2021, and the summary statements of material accounting policies and other explanatory information of the group for the financial year ended March 31, 2021, prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the ICAI Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI, as amended from time to time.
Risk Management Committee	The risk management committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board*" on page 292
Senior Management Personnel	Senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in "*Our Management – Senior Management Personnel of our Company*" on page 300
Shareholder(s)	Equity Shareholder(s) of our Company from time to time
Stakeholders' Relationship Committee	Stakeholders' relationship committee of our Board constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in "*Our Management – Committees of our Board"* on page 292

Offer related terms

Term	Description
Abridged Prospectus	A memorandum containing such salient features of a prospectus as may be specified by the SEBI ICDR Regulations
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
"Allot" or "Allotment" or "Allotted"	Unless the context otherwise requires, allotment of the Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to all Bidders who have Bid in the Offer after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, who applied under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who had Bid for an amount of at least ₹100 million
Anchor Investor Allocation Price	The price, being ₹32 per Equity Share, at which Equity Shares were allocated to the Anchor Investors in terms of the Red Herring Prospectus and this Prospectus, which was decided by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which was considered as an application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors were submitted, prior to and after which the BRLMs did not accept any Bids from Anchor Investors, and allocation to the Anchor Investors was completed i.e., November 20, 2023
Anchor Investor Offer Price	₹32 per Equity Share, being the final price at which the Equity Shares shall be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and this Prospectus The Anchor Investor Offer Price was decided by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it was the Anchor Investor Bid/Offer Period i.e., November 20, 2023
Anchor Investor Portion	60% of the QIB Portion consisting of 201,019,726* Equity Shares, which were allocated by our Company and Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations * *Subject to finalisation of the Basis of Allotment*
"Application Supported by Blocked Amount" or "ASBA"	An application, whether physical or electronic, used by ASBA Bidders, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and which included applications made by UPI Bidders using the UPI Mechanism where the Bid Amount was blocked upon acceptance of UPI Mandate Request by UPI Bidders using the UPI Mechanism
ASBA Account(s)	A bank account maintained by ASBA Bidders with an SCSB and specified in the ASBA Form submitted by such ASBA Bidder in which funds were blocked by such SCSB to the extent specified in the ASBA Form submitted by such ASBA Bidder and includes a bank account maintained by a UPI Bidder linked to a UPI ID, in which the Bid Amount was blocked by the SCSB upon acceptance of the UPI Mandate Request by a UPI Bidder Bidding through the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which was considered as the application for Allotment in terms of the Red Herring Prospectus and this Prospectus
Bankers to the Offer	Collectively, Escrow Collection Bank, Public Offer Bank, Sponsor Banks, and Refund Bank, as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer as described in "*Offer Procedure*" on page 624
Bid(s)	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or

Term	Description
	purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and, in the case of RIIs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIIs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer. However, Eligible Employees who applied in the Employee Reservation Portion could apply at the Cut-off Price and the Bid Amount was Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employee and mentioned in the Bid cum Application Form. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee did not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of an undersubscription in the Employee Reservation Portion post initial Allotment, if any, such unsubscribed portion shall be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	460 Equity Shares and in multiples of 460 Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries did not accept any Bids, being Thursday, November 23, 2023
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries started accepting Bids, being Tuesday, November 21, 2023
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders submitted their Bids in terms of the Red Herring Prospectus
Bidder	An investor who made a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries accepted the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs, and Designated CDP Locations for CDPs
BOBCAPS	BOB Capital Markets Limited
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer was made
"Book Running Lead Managers" or "BRLMs"	The book running lead managers to the Offer namely, IDBI Capital Markets & Securities Limited, BOB Capital Markets Limited and SBI Capital Markets Limited
Broker Centres	The broker centres notified by the Stock Exchanges where ASBA Bidders could submit the ASBA Forms to a Registered Broker, provided that UPI Bidders could submit ASBA Forms at such broker centres if they were Bidding using the UPI Mechanism. The details of such broker centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
"CAN" or "Confirmation of Allocation Note"	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who had been allocated the Equity Shares, on or after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, i.e., ₹32 per Equity Share
CARE	CARE Advisory Research and Training Limited
CARE Report	Report titled "*Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs"* dated November 2023, issued by CARE, exclusively commissioned by our Company pursuant to mandate letter dated June 9, 2023 and paid by the BRLMs in equal proportion. A copy of the CARE Report was available on the website of our Company at https://www.ireda.in/home, from the date of the Red Herring Prospectus till the Bid/Offer Closing Date
Cash Escrow and Sponsor Bank Agreement	Agreement dated November 11, 2023 entered amongst our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, Syndicate Members, the Bankers to the Offer and Registrar to the Offer in accordance with the UPI Circulars, *inter alia*, for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, remitting refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	The client identification number maintained with one of the Depositories in relation to demat account

Term	Description
"Collecting Depository Participant" or "CDP"	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	The Offer Price being ₹32 per Equity Share, finalised by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers Only RIBs Bidding in the Retail Portion and Eligible Employee(s) Bidding in the Employee Reservation Portion were entitled to Bid at the Cut-off Price. QIBs (including the Anchor Investors) and Non-Institutional Bidders were not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated CDP Locations	Such locations of the CDPs where Bidders (other than Anchor Investors) submitted the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Banks for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Red Herring Prospectus and this Prospectus after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs, Eligible Employee(s) and Non-Institutional Bidders with an application size of up to ₹500,000 (not using the UPI mechanism) by authorising SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount was blocked upon acceptance of UPI Mandate Request by such UPI Bidders using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders (not using the UPI mechanism), Designated Intermediaries shall mean Syndicate, Sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders submitted the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated SCSB Branches	Such branches of the SCSBs which collected the ASBA Forms, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	NSE
"Draft Red Herring Prospectus" or "DRHP"	The draft red herring prospectus dated September 7, 2023 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Eligible Employee	All or any of the following: (a) A permanent and full-time employee of our Company (excluding such employees not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines), as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent and full-time employee of our Company until the submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form; or (b) A Director of our Company, whether a whole-time Director or otherwise, not holding either himself/herself or through their relatives or through any body corporate, directly or indirectly, more than 10% of the outstanding Equity Shares (excluding other Directors not eligible to invest in the Offer under applicable laws, rules, regulations and guidelines) as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company until submission of the ASBA Form and is based, working and present in India or abroad as on the date of submission of the ASBA Form
Eligible FPI(s)	FPIs eligible to participate in the Offer from such jurisdictions outside India where it is not

Term	Description
	unlawful to make an offer/ invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to purchase the Equity Shares offered thereby
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constituted an invitation to subscribe to the Equity Shares issued in the Offer
Employee Reservation Portion	The portion of the Offer, being 1,875,420* Equity Shares, which was reserved for allocation and Allotment to Eligible Employees on a proportionate basis. Such portion did not exceed 5% of our post-Offer paid-up equity share capital * *Subject to finalisation of the Basis of Allotment*
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank and in whose favour the Anchor Investors transferred money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Escrow Account has been opened, in this case being Axis Bank Limited
First Bidder or Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band i.e., ₹30 per Equity Share
Fresh Issue	The fresh issue of 403,164,706* Equity Shares of face value of ₹10 each for cash at a price of ₹32 each (including a premium of ₹22 per Equity Share), aggregating to ₹12,901.27 million* * *Subject to finalisation of the Basis of Allotment*
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
"General Information Document" or "GID"	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, suitably modified and updated pursuant to, among others, the UPI Circulars and any subsequent circulars or notifications issued by SEBI from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the Book Running Lead Managers
Gross Proceeds	Gross proceeds of the Fresh Issue that will be available to our Company
IDBI Capital	IDBI Capital Markets & Securities Limited
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Mutual Fund Portion	5% of the Net QIB Portion, or 6,700,658* Equity Shares which were available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids having been received at or above the Offer Price * *Subject to finalisation of the Basis of Allotment*
Net Offer	The Offer less Employee Reservation Portion
Net Proceeds	Gross Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 112
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
"Non-Institutional Bidders" or "Non-Institutional Investors"	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Offer being not less than 15% of the Net Offer consisting of 100,509,864* Equity Shares which was available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids having been received at or above the Offer Price, out of which (i) one-third was reserved for Bidders with Bids exceeding ₹200,000 up to ₹1,000,000; and (ii) two-thirds was reserved for Bidders with Bids exceeding ₹1,000,000 * *Subject to finalisation of the Basis of Allotment*
Non-Resident	Person resident outside India, as defined under FEMA and includes a non-resident Indian, FVCIs and FPIs
Offer	The initial public offer of 671,941,177* Equity Shares of face value of ₹10 each for cash at a price of ₹32 per Equity Share (including a premium of ₹22 per equity share**)** aggregating to ₹21,502.12 million* comprising of the Fresh Issue and Offer for Sale by the Promoter Selling Shareholder in the Offer

Term	Description
	* *Subject to finalisation of the Basis of Allotment*
Offer Agreement	Agreement dated September 7, 2023 entered amongst our Company, the Promoter Selling Shareholder, and the Book Running Lead Managers, pursuant to which certain arrangements have been agreed to in relation to the Offer
"Offer for Sale" or "Offered Shares"	The offer for sale of 268,776,471* Equity Shares, at the Offer Price aggregating to ₹8,600.85 million*, by the Promoter Selling Shareholder in the Offer * *Subject to finalisation of the Basis of Allotment*
Offer Price	₹32 per Equity Share, being the final price, within the price band, at which Equity Shares shall be Allotted to successful Bidders other than Anchor Investors. Equity Shares shall be Allotted to Anchor Investors at the Anchor Investor Offer Price, which was decided by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, in terms of the Red Herring Prospectus and this Prospectus. The Offer Price was determined by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Promoter Selling Shareholder. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" on page 112
Price Band	The price band of a minimum price of ₹30 per Equity Share (Floor Price) and the maximum price of ₹32 per Equity Share (Cap Price)
Pricing Date	The date on which our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, finalised the Offer Price, being November 24, 2023
Prospectus	This prospectus dated November 24, 2023, filed with the RoC on the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	The 'no-lien' and 'non-interest bearing' bank account opened with the Public Offer Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Account(s) on the Designated Date
Public Offer Bank	The bank with which the Public Offer Account was opened, for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being HDFC Bank Limited
QIB Portion	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer comprising 335,032,878* Equity Shares which was available for allocation on a proportionate basis to QIBs (including Anchor Investors in which allocation shall be on a discretionary basis, as determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, up to a limit of 60% of the QIB Portion), subject to valid Bids having been received at or above the Offer Price or Anchor Investor Offer Price * *Subject to finalisation of the Basis of Allotment*
"Qualified Institutional Buyers" or "QIBs" or "QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
"Red Herring Prospectus" or "RHP"	The red herring prospectus dated November 11, 2023 issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which did not have complete particulars of the Offer Price and the size of the Offer
Refund Account	Account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account has been opened, in this case being Axis Bank Limited
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended, and the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of the SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated September 7, 2023 entered by and amongst our Company, the Promoter Selling Shareholder, and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar pertaining to the Offer
"Registrar and "Share Transfer Agents" or "RTAs"	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, the SEBI RTA Master Circular and the UPI Circulars
"Registrar to the Offer" or "Registrar"	Link Intime India Private Limited

Term	Description
Resident Indian	A person resident in India, as defined under FEMA
"Retail Individual Bidder(s)" or "Retail Individual Investors" or "RIB(s)" or "RII(s)"	Individual Bidders, who had Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	Portion of the Net Offer being not less than 35% of the Net Offer consisting of 234,523,015* Equity Shares which was available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations (subject to valid Bids having been received at or above the Offer Price) * *Subject to finalisation of the Basis of Allotment*
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Bidders were not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employee(s) Bidding under the Employee Reservation Portion could revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
SBICAPS	SBI Capital Markets Limited
"Self-Certified "Syndicate Bank(s)" or "SCSB(s)"	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount was blocked by authorising an SCSB, a list of which is available on the website of SEBI at https:/www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely, Link Intime India Private Limited
Share Escrow Agreement	Agreement dated November 11, 2023 entered amongst our Company, the Promoter Selling Shareholder and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Promoter Selling Shareholder and credit of such Offered Shares to the demat account of the Allottees in accordance with the Basis of Allotment
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms from Bidders
Sponsor Banks	Bankers to the Offer, appointed by our Company and Promoter Selling Shareholder to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the UPI Bidders using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars, in this case being Axis Bank Limited and HDFC Bank Limited
Stock Exchanges	Collectively, the BSE Limited and the National Stock Exchange of India Limited
"Syndicate" or "Members of the Syndicate"	Together, the Book Running Lead Managers and the Syndicate Members
Syndicate Agreement	Agreement dated November 11, 2023 entered amongst our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, the Registrar, and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter, namely, Investec Capital Services (India) Private Limited and SBICAP Securities Limited
Underwriters	Collectively, IDBI Capital Markets & Securities Limited, BOB Capital Markets Limited, SBI Capital Markets Limited, Investec Capital Services (India) Private Limited and SBICAP Securities Limited
Underwriting Agreement	Agreement dated November 24, 2023, entered amongst our Company, the Promoter Selling Shareholder, the Registrar to the Offer and the Underwriters
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors who applied as (i) Retail Individual Bidders in the Retail Portion, (ii) Eligible Employees, under the Employee Reservation Portion, and (iii) Non-Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to circular number SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount was

Term	Description
	up to ₹500,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference number 23/2022 dated July 22, 2022 and reference number 25/2022 dated August 3, 2022, and the circulars issued by BSE Limited having reference number 20220722-30 dated July 22, 2022 and reference number 20220803-40 dated August 3, 2022, and any subsequent circulars or notifications issued by SEBI and Stock Exchanges in this regard
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder using the UPI Mechanism initiated by the Sponsor Banks to authorise blocking of funds on the UPI application equivalent to Bid Amount in the relevant ASBA Account and subsequent debit of funds in case of Allotment The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 or such other website as may be updated from time to time, which may be used by UPI Bidders to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
UPI Mechanism	The bidding mechanism that was used by the UPI Bidders in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Wilful Defaulter	A wilful defaulter, as defined under the SEBI ICDR Regulations
Working Day	All days on which commercial banks in Mumbai are open for business provided however, with reference to (a) announcement of Price Band and (b) Bid/Offer Period, the term Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai, India are open for business and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays in India, as per circulars issued by SEBI

Technical, industry related terms or abbreviations

Term	Description
Acuite	Acuite Rating and Research
AD	Accelerated depreciation
ADB	Asian Development Bank
AFD	Agence Francaise Development
AKB	August Kranti Bhawan
ALM	Asset-liability management
ALMM	Approved List of Models and Manufacturers
"Asset Under Management" or "AUM"	Asset Under Management (AUM) is interest & income generating assets
Basic EPS	Profit After tax for the period divided by weighted average number of Equity shares at the end of the period
BCD	Basic custom duty

Term	Description
BESS	Battery energy storage system
BPGTP	Biogas based Power Generation (Off-Grid) and Thermal Energy Applications Programme
BU	Billion units
CBG	Compressed biogas
CCDC	Custom duty exemption certificate
CCEA	Cabinet Committee on Economic Affairs
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
CPI	Consumer price index
CIBIL	Credit Information Bureau (India) Limited
Cost of Borrowings	Interest expended during the period divided by average borrowings from all sources, in %
Cost to Income ratio	Total expenses for the period divided by total income for the period, in %
CPSU	Central Public Sector Undertaking
CRAR	Capital to risk (weighted) assets ratio, or capital adequacy ratio
Credit cost ratio	Total NPA Provisions and write-offs (excluding provision for contingencies/standard assets) divided *by* average GLP outstanding, during the period in %
CUF	Capital utilization factor
Diluted EPS	Profit after tax for the period divided by weighted average number of Equity shares including potential number of Equity Shares at the period end
DPD	Days past due
DRT	Debt recovery tribunals under the Recovery of Debts due to Banks and Financial Institutions Act, 1993
EEC	Energy efficiency and conservation
EIB	European Investment Bank
EPC	Engineering, procurement and construction
ERP	Enterprise Resource Planning
ESMS	Environmental and Social Management System
ESY	Ethanol supply year
EV	Electric vehicle
EURIBOR	Euro Interbank Offered Rate
GBI	Generation-based incentive
GLP Growth	GLP Growth represents growth in GLP for the period *divided by* GLP of the previous period in %.
GNDI	Gross national disposable income
"Gross Loan Portfolio (GLP)" or "Term Loan Outstanding"	Gross Loan Portfolio (GLP) or Term Loans Outstanding represents the total term loans outstanding (gross i.e., without netting-off the related provisioning) given by us as at the end of the period. It does not include interest accrued and due on term loans & interest accrued but not due on term loans, liquidated damages accrued and due, staff loans and interest accrued thereon
"Gross NPA" or "GNPA"	Gross NPA represents Gross Non-performing Term Loans *divided by* Term Loan Outstanding, at the period end in %
ICRA	ICRA Limited
IFC	Infrastructure Finance Company
IIP	Index of industrial production
India Ratings	India Ratings and Research Private Limited
ISA	International Solar Alliance
ISTS	Inter-state transmission system
JICA	Japan International Cooperation Agency
KFW	Kreditanstalt für Wiederaufbau
Loans Disbursed	Loans Disbursed represents disbursement or financing of term loans during the period
"Loans Sanctioned" or "Sanctioned Loans"	Loans Sanctioned represents term loans approved during the period and may/may not be disbursed
MoU	Memorandum of understanding
MW	Megawatt
NBFC-ND-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
NBP	National Biofuel Policy
NCDs	Non-Convertible Debentures
NCEF	National Clean Energy Fund
"Net NPA" or "NNPA"	Net NPA represents net non-performing term loans divided by net Term Loans Outstanding, as at the period end in %. Net term loans represent Term Loans Outstanding minus NPA Provisions, as at the period end

Term	Description
"Net Worth" or "Shareholders Equity"	Net worth represents the sum of equity share capital and other equity at the end of the period
Net Interest Income (NII)	Net Interest Income (comprising interest on term loans and investments) less interest expense (comprising interest on borrowings availed by us and net gain/loss on foreign exchange translation), for the period
Net Interest Margin (NIM)	Net Interest Income divided by average interest-earning assets, in %
Net Profit Margin	Profit after tax divided by Total income, for the period in %
NHPC	National Hydro Electric Power Corporation
NNBOMP	New National Biogas and Organic Manure Programme
NPA	Non-Performing Assets
NTPC	National Thermal Power Corporation
OEM	Original equipment manufacturer
OMC	Oil marketing company
Operating Profit	Profit before tax excluding other income divided by total revenue from operations, for the period in %
PAT to Average AUM	Profit after tax for the period divided by Average AUM for the period
PFA	Power for all programme
PFI	Public Financial Institution under Section 2(72) of the Companies Act, 2013
PGCIL	Power Grid Corporation of India Limited
PLI	Production-linked Incentive
Profit per Employee	Profit after tax for the period divided by number of employees at the period end.
Provision Coverage Ratio	Total provisions held on Gross NPA divided by Gross NPA, as at the period end in %
PSF	Project-specific funding
PSP	Pumped storage plant
PV	Photovoltaic
RE	Renewable Energy
REC	Renewable energy certificate
REC Limited	REC Limited (*formerly known as Rural Electrification Corporation Limited*)
RES	Renewable energy sources
RKM	Route kilometres
RPO	Renewable purchase obligation
RTS	Rooftop solar
Return on Equity (ROE)	Profit after tax for the period divided by average shareholder's equity, in %
Return on Assets (ROA)	Profit after tax for the period divided by average total assets, in %
RPSSGP	Rooftop PV and Small Solar Power Generation Programme
SARFAESI Act	Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SAUBHAGYA	Pradhan Mantri Sahak Bijli Har Ghar Yojana
SECI	Solar Energy Corporation of India Limited
SERC	State Electricity Regulatory Commissions
SIDBI	Small Industrial Development Bank of India
Slippage Ratio	Fresh accretion of NPAs during the period divided by Term Loans Outstanding – Stage 1 & 2 (Standard), at the beginning of period in %
SMA	Special mention account
SOFR	Secured Overnight Financing Rate
Spread	Difference between average yield on average interest earning assets and average cost on average interest-bearing liabilities, in %
Total Debt to Net Worth	Total borrowings at the end of the period divided by Total Assets at the end of the period
Total Expenses to Average AUM	Total expenses for a period divided by Average Asset under Management (AUM) for the period. AUM is interest & income generating assets
TRA	Trust and Retention Account
VGF	Viability Gap Funding
Yield on Term Loans	Interest earned on Term Loans Outstanding divided by average Term Loans Outstanding, in %

Conventional and general terms or abbreviations

Term	Description
"₹" or "Rs." or "Rupees" or "INR"	Indian Rupees
AGM	Annual general meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations
"AS" or "Accounting Standards"	Accounting standards issued by the Institute of Chartered Accountants of India
AY	Assessment year
Banking Regulation Act	Banking Regulation Act, 1949
"Bn" or "bn"	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CEO	Chief Executive Officer
CIN	Corporate Identity Number
CIT (A)	Commissioner of Income Tax (Appeals)
Companies Act, 1956	Companies Act, 1956, along with the relevant rules, regulations, clarifications, and modifications framed thereunder
"Companies Act" or "Companies Act, 2013"	Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications, and modifications framed thereunder
Competition Act	Competition Act, 2002
"Consolidated FDI Policy" or "FDI Policy"	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any amendments or substitutions thereof, issued from time to time
COVID-19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020, and a pandemic on March 11, 2020
CPSE	Central Public Sector Enterprise
CPSE Capital Restructuring Guidelines	Memorandum F. No. PP/14(0005)/2016 dated June 20, 2016, of the Department of Public Enterprises, Ministry of Heavy Industries, Government of India read with the memorandum F.No. 5/2/2016-Policy dated May 27, 2016, of the Department of Investment and Public Asset Management, Ministry of Finance, Government of India
CSR	Corporate Social Responsibility
CY	Calendar Year
Demat	Dematerialised
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DDT	Dividend Distribution Tax
DP ID	Depository Participant's Identification
"DP" or "Depository Participant"	A depository participant as defined under the Depositories Act
DPE	Department of Public Enterprises, Ministry of Finance, Government of India
DPE Guidelines	Corporate governance guidelines of the Department of Public Enterprises, Ministry of Finance, Government of India
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India *(formerly known as Department of Industrial Policy and Promotion)*
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
EBTDA	Earnings before taxes, depreciation, and amortisation
EBLR	External Benchmark based Lending Rate
EGM	Extraordinary general meeting
EPS	Earnings per share

Term	Description
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	The FEMA NDI Rules, the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 and the Foreign Exchange Management (Debt Instruments) Regulations, 2019, as applicable
"Financial Year" or "Fiscal" or "Fiscal Year" or "FY"	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles
GAAR	General anti-avoidance rules
Gazette	Official Gazette of India
GDP	Gross domestic product
"GoI" or "Government" or "Central Government"	Government of India
GST	Goods and services tax
IBC	The Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
"Ind AS" or "Indian Accounting Standards"	Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
Indian Penal Code	The Indian Penal Code, 1860
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended
IST	Indian Standard Time
IT	Information technology
IT Act	The Information Technology, 2000
KYC	Know Your Customer
LIBOR	London Inter-Bank Offer Rate
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal Cost of Funds based Lending Rate
MIM	Multiple Investment Managers
"Mn" or "mn"	Million
MoEF	Ministry of Environment, Forest and Climate Change, Government of India
MU	Million units
NACH	National Automated Clearing House
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the Government of India, published in the Gazette of India
NAV	Net asset value
NBFC	Non-Banking Financial Companies
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	The Negotiable Instruments Act, 1881
NGT	National Green Tribunal, Western Zone
NPCI	National Payments Corporation of India
NR	Non-resident
NRE Account	Non-resident external rupee account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI	Person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit)

Term	Description
	Regulations, 2016 or an overseas citizen of India cardholder within the meaning of Section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
"OCB" or "Overseas Corporate Body"	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
ODI	Off-shore Derivate Instruments
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit after tax
P/E Ratio	Price to Earnings Ratio
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934
RoCE	Return on capital employed
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on net worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI RTA Master Circular	SEBI master circular number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Stamp Act	The Indian Stamp Act, 1899
State Government	The government of a state in India
STT	Securities transaction tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
Trusts Act	The Indian Trusts Act, 1882
U.S. Securities Act	United States Securities Act of 1933, as amended
U.S. Investment Company Act	United States Investment Company Act of 1940, as amended
"U.S." or "USA" or "United States"	The United States of America, its territories and possessions, any State of the United States and the District of Columbia
"USD" or "US$"	United States Dollars
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to "India" contained in this Prospectus are to the Republic of India and its territories and possessions and all references herein to the "Government", "Indian Government", "GoI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references to the "U.S.", "US", "U.S.A" or "United States" are to the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

Unless otherwise specified, any time mentioned in this Prospectus is in Indian Standard Time ("**IST**").

Unless stated otherwise, all references to page numbers in this Prospectus are to the page numbers of this Prospectus.

Financial Data

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year and accordingly, all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless indicated otherwise, all references to a 'year' in this Prospectus are to a calendar year.

Unless stated otherwise, the financial information and financial ratios in this Prospectus have been derived from the Restated Financial Information. The Restated Financial Information has been prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations, as amended from time to time, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time ("**ICAI Guidance Note**").

The Restated Financial Information is extracted from the restated standalone statements of assets and liabilities of the Company as at September 30, 2023, September 30, 2022, March 31, 2023 and March 31, 2022, restated standalone statements of profit and loss (including other comprehensive income) for the six months ended September 30, 2023 and September 30, 2022, and financial years ended March 31, 2023 and March 31, 2022, restated standalone statements of changes in equity for the six months ended September 30, 2023 and September 30, 2022, and for the financial years ended March 31, 2023 and March 31, 2022, restated standalone cash flow statements for the six months ended September 30, 2023 and September 30, 2022, and for the financial years ended March 31, 2023 and March 31, 2022, the summary statements of material accounting policies and other explanatory information, and the restated consolidated statement of assets and liabilities of the Company and erstwhile associate, M.P. Windfarms Limited (together, the "**group**") as at March 31, 2021, restated consolidated statement of profit and loss (including other comprehensive income) for the financial year ended March 31, 2021, restated consolidated statement of changes in equity for the financial year ended March 31, 2021, restated consolidated cash flow statement for the financial year ended March 31, 2021, and the summary statements of material accounting policies and other explanatory information of the group for the financial year ended March 31, 2021, prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, SEBI ICDR Regulations and the ICAI Guidance Note.

For further information, see "*Restated Financial Information*", "*Other Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 321, 517 and 520, respectively.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Prospectus should accordingly be limited. For risks relating to significant differences between Ind AS and other accounting principles, see "*Risk Factors – Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and*

IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Prospectus" on page 65.

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two or one decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. However, where any figures that may have been sourced from third-party industry sources are rounded off to other than two decimal points in their respective sources, such figures appear in this Prospectus as rounded-off to such number of decimal points as provided in such respective sources.

Unless the context otherwise indicates, any percentage amounts (excluding certain operational metrics), relating to the financial information of our Company in "*Summary of the Offer Document*", "*Risk Factors*", "*Basis for Offer Price*", "*Our Business*", "*Other Financial information*", "*Capitalisation Statement*" and "*Management's Discussion and Analysis of Financial Conditional and Results of Operations*" on pages 21, 34, 118, 219, 517, 572 and 520, respectively, have been calculated on the basis of the Restated Financial Information.

Non-GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we use a variety of financial and operational performance indicators like EBITDA, Net Worth, Return on Net Worth and Net Asset Value per Equity Share ("**Non-GAAP Measures**") presented in this Prospectus which are a supplemental measure of our performance and are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. For further details, see "*Risk Factors – We have in this Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian financial services industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies"* on page 67.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Prospectus has been obtained or derived from the report titled "*Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs*" dated November 2023, prepared and issued by CARE Advisory Research and Training Limited, and publicly available information as well as other industry publications and sources. The CARE Report has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and is commissioned by our Company pursuant to mandate letter dated June 9, 2023, and paid by the BRLMs in equal proportion. A copy of the CARE Report was available on the website of our Company at https://www.ireda.in/home, from the date of the Red Herring Prospectus till the Bid/Offer Closing Date. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CARE Report and included in this Prospectus with respect to any particular year, refers to such information for the relevant calendar year. CARE Advisory Research and Training Limited is an independent agency which has no relationship with our Company, our Promoter, any of our Directors, Key Managerial Personnel, Senior Management Personnel or the Book Running Lead Managers.

The CARE Report is subject to the following disclaimer:

This report is prepared by CARE Advisory Research and Training Limited (CareEdge Research). CareEdge Research has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in CareEdge Research's proprietary database, and other sources considered by CareEdge Research as accurate and reliable including the information in public domain. The views and opinions expressed herein do not constitute the opinion of CareEdge Research to buy or invest in this industry, sector or companies operating in this sector or industry and is also not a recommendation to enter into any transaction in this industry or sector in any manner whatsoever.

This report has to be seen in its entirety; the selective review of portions of the report may lead to inaccurate assessments. However, for the purpose of covering the industry overview section of the Offer Documents, extracts from the report may be published wherein the complete content in any particular sentence/chart/table is captured. All forecasts in this report are based on assumptions considered to be reasonable by CareEdge Research; however, the actual outcome may be materially affected by changes in the industry and economic circumstances, which could be different from the projections.

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CareEdge Research shall reveal the report to the extent necessary and called for by appropriate regulatory agencies, viz., SEBI, RBI, Government authorities, etc., if it is required to do so.

By accepting a copy of this Report or extracts of the report that may be published for the purpose of the Offer Documents, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness relevance of such information shall be subject to the disclaimers, context and underlying assumptions of such sources. The data used in these sources may have been reclassified by us for the purposes of presentation and may also not be comparable. The excerpts of the Industry Report are disclosed in this Prospectus and there are no parts, information, data (which may be relevant for the proposed Offer), left out or changed in any manner. The extent to which the industry and market data presented in this Prospectus is meaningful and depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies, and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – Industry information included in this Prospectus has been derived from an industry report prepared CARE Advisory Research & Training Limited exclusively commissioned by us in connection with the Offer and paid for by the BRLMs for such purpose"* on page 66. Accordingly, no investment decision should be solely made on the basis of such information.

In accordance with the disclosure requirements under the SEBI ICDR Regulations, "*Basis for the Offer Price*" on page 118 includes information relating to our peer group companies. Such information has been derived from publicly available sources specified therein.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US$" are to United States Dollar, the official currency of the United States;
- "EUR" or "€" are to EURO, the official currency of the Eurozone;
- "JPY" or "¥" are to Japanese Yen, the official currency of Japan.

Our Company has presented numerical information in this Prospectus in "million" units or whole number, unless stated otherwise. One million represents 1,000,000 and one billion represents 1,000,000,000.

However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Prospectus in such denominations as provided in the respective sources.

Exchange Rates

This Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and other foreign currencies:

(amount in ₹, unless otherwise specified)

Currency	September 30, 2023	September 30, 2022	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.06	81.55	82.22	75.81	73.50
1 EUR	87.94	80.11	89.61	84.66	86.10
100 JPY	55.81	56.44	61.80	62.23	66.30

(Source: www.rbi.org.in, www.oanda.com)
Notes:
(1) Exchange rate is rounded off to two decimal points.
(2) In the event that any of the respective year/period is a public holiday, the previous calendar day not being a public holiday has been considered.

Notice to Prospective Investors in the United States

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. federal, state or other securities laws. The Equity Shares may not be transferred or resold except as permitted under the U.S. Securities Act, the applicable state securities laws and any applicable non-U.S. securities laws, pursuant to registration or exemption therefrom. Our Company will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**") and accordingly is not subject to the protections of the Investment Company Act. Accordingly, the Equity Shares are being offered and sold (a) to persons in the United States and to U.S. Persons who are both, (i) "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "**U.S. QIBs**"), and (b) Qualified Purchasers ("**QPs**"), as defined in Section 2(a)(51) of the Investment Company Act (persons who are both a U.S. QIB and a QP are referred to as "**Entitled QPs**"), pursuant to Rule 144A under the U.S. Securities Act and in accordance with Section 3(c)(7) of the Investment Company Act, and (ii) to persons who are not U.S. Persons outside the United States, pursuant to Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "QIBs".

Each purchaser is hereby notified that sellers of Equity Shares maybe relying on an exemption from the provisions of Section 5 of the U.S. Securities Act.

Until the expiry of 40 days after the date of commencement of the Offer, an offer or sale of the Equity Shares within the United States by a dealer (whether or not participating in the Offer) may violate the registration requirements of the U.S. Securities Act.

Our Company may be a "covered fund" for purposes of the "Volcker Rule" contained in the Dodd-Frank Act (Section 619: Prohibitions on Proprietary Trading and Certain Relationships with Hedge Funds and Private Equity Funds). Accordingly, entities that may be "covered banking entities" for the purposes of the Volcker Rule may be restricted from holding the Company's securities and should take specific advice before making an investment in our Company.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "are likely", "believe", "expect", "estimate", "intend", "objective", "plan", "propose", "project", "seek", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans, or goals are also forward-looking statements. These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations, and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India and other overseas jurisdictions in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate, and incidence of any natural calamities and/or acts of violence.

Significant factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Inability to effectively manage the quality of our growing asset portfolio and controlling the level of our non-performing assets;
- Volatility in interest rates;
- Inability to secure funding on commercially acceptable terms and at competitive rates;
- Inherent risk in relation to projects and schemes for generating electricity and energy through renewable sources like solar, wind, hydro, biomass and waste-to-energy;
- Identification of any non-compliances by RBI during their periodic inspections;
- Any future downgrade in our credit ratings, similar to downgrade experienced in the past;
- Any future non-compliances of covenants under our financing agreements, similar to instances in the past;
- Possibility of having negative cash flows from operations in the future, as have been incurred in the past;
- Possibility of imposition of penalty in the future in relation to certain untraceable historical corporate records regarding allotment of our Equity Shares; and
- Negative impact on the cash flows and financial conditions of our borrowers due to revision in the terms of their existing PPAs by way of which certain DISCOMS and states purchase electricity from our borrowers.

For further details regarding factors that could cause actual results to differ from expectations, see "*Risk Factors*", "*Industry Overview*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 34, 136, 219 and 520, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as of the date of this Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoter Selling Shareholder, our Directors, the Syndicate nor the Book Running Lead Managers or any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that the Bidders in India are informed of material developments from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the Offer.

In accordance with regulatory requirements including requirements of SEBI and as prescribed under applicable law, the Promoter Selling Shareholder shall, ensure that the Bidders in India are informed of material developments from the date of this Prospectus, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself and the Offered Shares in this Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Prospectus, including the sections "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoter", "Financial Information", "Management's Discussion and Analysis of Business and Results of Operations", "Offer Procedure", "Outstanding Litigation and Material Developments" and "Description of Equity Shares and Terms of Articles of Association" on pages 34, 78, 97, 112, 136, 219, 305, 321, 520, 624, 573, and 647, respectively.

Summary of primary business of our Company

We are a Government of India enterprise under the administrative control of the Ministry of New and Renewable Energy. We are a "Public Financial Institution", registered as a Systemically Important Non-Deposit taking Non-Banking Financial Company, with Infrastructure Finance Company status. We are a financial institution with over 36 years of experience in promoting, developing and extending financial assistance for new and renewable energy projects, and energy efficiency and conservation projects. We provide a comprehensive range of financial products and related services, from project conceptualisation to post-commissioning, for renewable energy projects and other value chain activities, such as equipment manufacturing and transmission.

For further details, see *"Our Business"* on page 219.

Summary of the industry in which our Company operates (*Source: CARE Report*)

In Fiscal 2023, the outstanding credit of key power financing Non-Banking Financial Companies ("**NBFCs**") reached approximately ₹9,399 billion, at a CAGR of approximately 10% since Fiscal 2019. In Fiscal 2024, power financing NBFCs are expected to continue this growth momentum, driven by increase in power demand, rise in population, renewable integration and sustainability goals of India. Financing requirement for renewable energy sectors such as solar and wind are set to expand prominently in line with the Government's target of 500 GW installed non-fossil fuel-based power capacity by 2030.

For further details, see *"Industry Overview"* on page 136.

Our Promoter

Our promoter is the President of India, acting through the Ministry of New and Renewable Energy, Government of India.

Offer Size

The following table summarises the details of the Offer size:

Offer of Equity Shares(1)(2)	671,941,177* Equity Shares aggregating to ₹21,502.12 million*
of which:	
(i) Fresh Issue(1)	403,164,706* Equity Shares aggregating to ₹12,901.27 million*
(ii) Offer for Sale(2)	268,776,471* Equity Shares aggregating to ₹8,600.85 million*
The Offer comprises:	
Employee Reservation Portion(3)	1,875,420* Equity Shares aggregating to ₹60.01 million*
Net Offer	670,065,757* Equity Shares aggregating to ₹21,442.10 million*

* *Subject to finalisation of Basis of Allotment*

(1) *The Offer has been authorised by a resolution of our Board of Directors at their meeting held on September 2, 2023 and the Fresh Issue has been authorised by a special resolution of our Shareholders dated September 4, 2023.*

(2) *Our Promoter Selling Shareholder, through its letter dated September 5, 2023, conveyed its consent to offer up to 268,776,471 Equity Shares as part of the Offer for Sale. Further, our Board has taken on record this consent letter of the Promoter Selling Shareholder for participation in the Offer for Sale pursuant to its resolution dated September 7, 2023. For details on the confirmation by the Promoter Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 589.*

(3) *The Employee Reservation Portion did not exceed 5% of our post-Offer paid-up equity share capital. In the event of undersubscription in the Employee Reservation Portion (if any), the unsubscribed portion shall be available for allocation and Allotment, proportionately to all Eligible Employees who had Bid in excess of ₹200,000, subject to the maximum value of Allotment made to an Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹500,000) shall be added to the Net Offer.*

The Offer and the Net Offer shall constitute 25.00% and 24.93%, respectively, of the post-Offer paid-up equity share capital of our Company.

For further details, see "*Offer Structure*" and "*The Offer*" on pages 620 and 78, respectively.

Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Objects	Amount* (in ₹ million)
Augmenting our capital base to meet our future capital requirements and onward lending	12,589.51
Total	**12,589.51**

* *Subject to finalisation of Basis of Allotment*

For further details see "*Objects of the Offer*" on page 112.

Aggregate Pre-Offer and Post-Offer Shareholding of our Promoter/ Promoter Selling Shareholder as a percentage of the paid-up equity share capital of our Company

The aggregate pre-Offer shareholding of our Promoter/Promoter Selling Shareholder as a percentage of the paid-up equity share capital of our Company is as follows:

S No.	Name of Promoter/ Promoter Selling Shareholder	Pre-Offer equity share capital		Post-Offer equity share capital	
		No. of Equity Shares held	% of total paid up pre-offer equity share capital	No. of Equity Shares held*	% of total paid up post-offer equity share capital*
1.	The President of India, acting through the Ministry of New and Renewable Energy, Government of India	2,284,600,000	100.00	2,015,823,529	75.00

* *Subject to finalisation of Basis of Allotment*
Note: From the Equity Shares held by our Promoter in the Company, 100 Equity Shares of ₹10 each are held by certain nominees of our Promoter, namely, Ajay Yadav, Aseem Kumar, Dinesh Dayanand Jagdale, Mini Prasannakumar, Jeevan Kumar Jethani, J Rajesh Kumar and Prabir Kumar Dash.

For further details, see *"Capital Structure"* on page 97.

Summary derived from the Restated Financial Information

The details of certain financial information as set out under the SEBI ICDR Regulations as at and for the six months ended September 30, 2023 and September 30, 2022, and the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, as derived from the Restated Financial Information are set forth below:

(₹ in million, except per share data)

Particulars	As at and for the six months ended September 30, 2023 (Standalone)	As at and for the six months ended September 30, 2022 (Standalone)	As at and for the Financial Year ended March 31, 2023 (Standalone)	As at and for the Financial Year ended March 31, 2022 (Standalone)	As at and for the Financial Year ended March 31, 2021 (Consolidated)
Equity share capital	22,846.00	22,846.00	22,846.00	22,846.00	7,846.00
Net worth(1)	65,806.12	56,383.12	59,351.69	52,681.13	29,956.00
Revenue from operations	23,198.33	15,772.71	34,819.75	28,598.99	26,548.12
Profit after tax	5,793.15	4,102.66	8,646.28	6,335.28	3,463.81
Basic and diluted earnings per share (₹/ share)(2)					
- Basic (in ₹)	2.54*	1.80*	3.78	8.03	4.41
- Diluted (in ₹)	2.54*	1.80*	3.78	8.03	4.41
Net asset value per Equity Share (in ₹)(3)	28.80	24.68	25.98	23.06	38.18

Particulars	As at and for the six months ended September 30, 2023 (Standalone)	As at and for the six months ended September 30, 2022 (Standalone)	As at and for the Financial Year ended March 31, 2023 (Standalone)	As at and for the Financial Year ended March 31, 2022 (Standalone)	As at and for the Financial Year ended March 31, 2021 (Consolidated)
Total borrowings (as per balance sheet)[(4)]	3,98,501.93	3,02,303.63	4,01,652.80	2,76,130.72	2,40,000.04

** Not annualized*

Notes:

[(1)] 'Net worth' under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

[(2)] Earning per shares (EPS) calculation is in accordance with the notified Indian Accounting Standard (Ind AS) 33 Earnings per share prescribed by the Companies (Indian Accounting Standards) Rules, 2015. The ratios have been computed as below:

a) Basic earnings per share (₹) = Profit after tax attributable to owners of our Company, as restated/ weighted average number of equity shares at the end of the year/period

b) Diluted earnings per share (₹) = Profit after tax attributable to owners of our Company, as restated / weighted average number of potential equity shares at the end of the period.

[(3)] Net asset value per Equity Share (₹): Net worth as attributable to owners of the Company at the end of the period divided by number of equity shares outstanding at the end of the period.

[(4)] Total borrowings represent the aggregate of debt securities, borrowings (other than debt securities) and subordinated liabilities as at the period/year end.

For details, see "*Financial Information*" and "*Other Financial Information*" on pages 321 and 517, respectively.

Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Information

There are no qualifications made by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company and Directors in accordance with the SEBI ICDR Regulations and the Materiality Policy as on the date of this Prospectus, is provided below:

Name of Entity	Criminal Proceedings (*No. of cases*)	Tax Proceedings (*No. of cases*)	Statutory or Regulatory Proceedings (*No. of cases*)	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter (*No. of cases*)	Material Civil Litigations (*No. of cases*)	Aggregate amount involved *(₹ in million) (to the extent quantifiable)*
Company						
By our Company	395	15	Nil	Nil	39	40,761.73*
Against our Company	35	Nil	4#	Nil	6	841.13**
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil

** The aggregate amount includes 395 ongoing criminal proceedings initiated by the Company amounting to ₹6,284.45 million, 15 ongoing tax proceedings initiated by the Company amounting to ₹4,127.17 million (excluding interest) and 39 ongoing material civil litigations initiated by the Company amounting to ₹30,350.11 million.*

*** The aggregate amount includes 35 ongoing criminal proceedings initiated against the Company amounting to ₹840.87 million, and 4 ongoing statutory/ regulatory proceedings initiated against our Company amounting to ₹0.26 million. The 6 ongoing material civil litigations initiated against our Company do not include any monetary compensation claimed by the petitioners and accordingly do not form part of the aggregate amount disclosed.*

 # There are proceedings filed against the Company and certain other parties by the Enforcement Directorate (ED), under the Prevention of Money Laundering Act, 2002. These proceedings do not have any monetary compensation claimed. For further details of the matters and other statutory and regulatory proceedings ongoing against the Company, please see "Risk Factors" on page 34 and "Outstanding Litigation and Material Developments – Actions taken by Regulatory and Statutory Authorities" on page 574."

For further details of the outstanding litigation proceedings involving our Company, see "*Outstanding Litigation and Material Developments*" on page 573.

Risk factors

For details in relation to certain risks applicable to us, see "*Risk Factors*" on page 34.

Summary of contingent liabilities

The following is a summary table of our contingent liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021 as indicated in the Restated Financial Information:

(in ₹ million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Claims against the company not acknowledged as Debt					
i) Taxation Demands:					
Income Tax cases[1]	2,236.63	2,140.09	2,377.65	2,121.21	2,121.20
Service Tax cases and Goods and Service Tax (GST) cases[2]	2,376.94	2,074.52	2,149.25	1,999.39	-
ii) Others	39.93[3]	32.46	34.87	30.36	27.47
b) Guarantees excluding financial guarantees					
i) Guarantees	2,246.53	5,995.14	4,861.14	6,680.38	5,490.00
ii) Letter of comfort / payment order instrument issued and outstanding	4,096.32	12,151.23	13,665.42	7,857.92	5,001.00
c) Other money for which the company is contingently liable					
i) Property tax in respect of office building and residential buildings (Refer Note 38(27))	Undeterminable				

Notes:

[(1)] Income Tax Cases - AY 1998-99 - AY 2009-10:

This includes Income Tax cases for AY 1998-99 to AY 2002-03 were referred back on the direction of Hon'ble High Court of Delhi to Hon'ble ITAT and Hon'ble ITAT to the Assessing Officer and Income Tax cases for AY 2003-04 to AY 2009-10 were referred back on the direction of Hon'ble ITAT to the Assessing Officer (referred as AO). The AO had not passed the order on these cases within the statutory time limit prescribed under the Act. Earlier the company had deposited the taxes under protest on the basis of demand raised for the aforementioned Assessment Years.

In view of the foregoing, the demands paid over and above the tax payable as per returns filed became refundable. Accordingly, during Financial Year 2018- 19, a writ petition has been filed with Hon'ble High Court to issue the necessary directions to the department to grant the refund for the aforementioned years. The Hon'ble High Court at Delhi had passed an interim order as under– "In the meanwhile, the respondents are permitted to proceed and complete the assessment orders and not give effect to it or take any coercive action." Final decision in the matter is still pending.

[(2)] Service Tax & Goods and Service Tax (GST) cases

The Company has received a Notice of Demand/Order from the Commissioner, Adjudication, Central Tax, GST Delhi East vide no GST-15/Adju/DE/IREDA/71/2017-18/3706-08 dated March 15, 2022, creating demands on IREDA amounting to ₹1,170.91 million (excluding applicable interest) for financial year 2012-13 to 2015-16. Although the Company contends that entire demand is barred by limitation, it has provided for ₹121.16 million (as on September 30, 2022 ₹113.82 million) including interest on conservative basis. Based on law and facts in the matter, Service Tax demand (including interest) for the half year ended September 30, 2023: ₹2,224.38 million and September 30, 2022: ₹2,074.52 million (for the year ended March 31, 2023 is ₹2,149.25 million, for the year ended March 31, 2022: ₹1,999.39 million; March 31, 2021: Nil) has been disclosed as contingent liability.

Further, since the Company is a government enterprise, no mala fide intention can be attributed to it and thus, extended period of limitation ought not to be invoked based on certain decisions of Hon'ble Supreme Court in such cases and hence the penalty has not been considered for disclosure as a contingent liability. The Company has filed an appeal with CESTAT, New Delhi on June 15, 2022 in the matter.

The Company has also received order no. DE/NP/R-174/GST/ADC (NR)/005/2022-23 dated Feb 28, 2023 from the office of Additional Commissioner, Adjudication, Central Tax, GST Delhi East on recovery of GST on Guarantee Fee Paid to Government under Reverse Charge basis for the period: July 01, 2017 to July 26, 2018 raising a demand of ₹152.51 million towards Tax, ₹152.56 million towards penalty and applicable interest thereon. While the Company has filed an appeal against the same before the Commissioner of Central Goods & Service Tax (Appeals-I), New Delhi on June 01, 2023, requisite provision towards the tax and interest thereon amounting to ₹276.52 million (as on September 30, 2022 Nil) has already been made in the books of accounts and ₹152.56 million (as on September 30, 2022 Nil) has been disclosed as contingent liability.

[(3)] Includes penalty of ₹0.26 million (as at September 30, 2022: Nil, as at March 31, 2023: ₹0.26 million, as at March 31, 2022: Nil; as at March 31, 2021: Nil) imposed by Ministry of Corporate Affairs (MCA) w.r.t. non-appointment of Woman Director. The Company being a government company has no control over appointment of directors and hence the same has not been considered for provision. Also includes

cases pending before Hon'ble High Court of Delhi in the form of Writ Petition against the order of disciplinary authority for dismissal of Staff from service of IREDA. There is no interim order in this matter. Also includes ₹3.51 million pertaining to withheld PRP of ex-Functional Directors of the company pending clarification.

For further details, see *"Restated Financial Information – Note 38(3): Contingent Liabilities"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Contingent Liabilities*" on pages 396 and 536, respectively.

Summary of Related Party Transactions

A summary of related party transactions as per the requirements under Ind AS 24 read with the SEBI ICDR Regulations entered into by our Company with related parties as at and for the six months ended September 30, 2023 and September 30, 2022, and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 and derived from the Restated Financial Information are as follows:

I. Compensation to Related Parties

(in ₹ million)

Particulars	For the six months ended September 30, 2023	% of Total Income (%)	For the six months ended September 30, 2022	% of Total Income (%)	For the year ended March 31, 2023	% of Total Income (%)	For the year ended March 31, 2022	% of Total Income (%)	For the year ended March 31, 2021	% of Total Income (%)
Short−term benefits										
−Sitting Fee (to Independent Directors)	3.89	0.02	1.64	0.01	4.56	0.01	0.58	0.00	2.77	0.01
−Others (Salary)	7.22	0.03	10.67	0.07	22.65	0.07	26.26	0.09	18.54	0.07
Post−employment benefits	0.85	0.00	1.28	0.01	2.37	0.01	2.34	0.01	2.08	0.01
Total	**11.96**	**0.05**	**13.55**	**0.09**	**29.58**	**0.08**	**29.18**	**0.10**	**23.39**	**0.09**

Notes:

- *The Chairman and Managing Director, Director (Finance) and Director (Technical) have also been allowed staff car including private journey up to a ceiling of 1000 Kms. per month on payment of monthly charges as per Department of Public Enterprises guidelines.*
- *Contribution towards Gratuity Fund, for Functional Directors is not ascertainable separately as the contribution to LIC is not made employee wise.*
- *Provision for leave encashment, post−retirement medical benefit, farewell gift etc. to functional director have been made on the basis of actuarial valuation and are in addition to the above given compensation.*

II. Loans to and from KMP(s)

(in ₹ million)

Particulars	For the six months ended September 30, 2023	% of Total Income (%)	For the six months ended September 30, 2022	% of Total Income (%)	For the year ended March 31, 2023	% of Total Income (%)	For the year ended March 31, 2022	% of Total Income (%)	For the year ended March 31, 2021	% of Total Income (%)
Loans to KMP										
Loans at the beginning of the year	**3.96**	0.02	**6.50**	0.04	**6.50**	0.02	**1.19**	0.00	**2.37**	0.01
Loan advanced during the year	1.17	0.01	0.26	0.00	0.26	0.00	3.93	0.01	0.23	0.00
Repayment received during the year	0.44	0.00	0.87	0.01	2.09	0.01	0.55	0.00	1.21	0.00
Interest charged during the year	-	0.00	0.03	0.00	0.04	0.00	2.34	0.01	0.05	0.00

Particulars	For the six months ended September 30, 2023	% of Total Income (%)	For the six months ended September 30, 2022	% of Total Income (%)	For the year ended March 31, 2023	% of Total Income (%)	For the year ended March 31, 2022	% of Total Income (%)	For the year ended March 31, 2021	% of Total Income (%)
Interest received during the year	0.43	0.00	0.47	0.00	0.75	0.00	0.42	0.00	0.25	0.00
Balance at the end of the year	4.26	0.02	**5.45**	0.03	**3.96**	0.01	**6.50**	0.02	**1.19**	0.00
Loans from KMP	-		-		-		–		–	

Major terms and conditions of transactions with related parties:

- Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- The remuneration and staff loans to Key Managerial Personnel are in line with the service rules of the Company.
- There are no pending commitments to the Related Parties.

III. Disclosures for transactions entered with Government and Government Entities

(in ₹ million)

Name of Government/ Government entities	Nature of Relationship with the Company	Nature of Transaction	Transaction										Outstanding Balance				
			For the six months ended September 30, 2023	% of Term Loans Outstanding / Total Income (%)	For the six months ended September 30, 2022	% of Term Loans Outstanding / Total Income (%)	During 2022-2023	% of Term Loans Outstanding / Total Income (%)	During 2021-2022	% of Term Loans Outstanding / Total Income (%)	During 2020-2021	% of Term Loans Outstanding / Total Income (%)	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Ministry of New & Renewable Energy	Administrative Ministry	Loan Repayment–IDA through MNRE@	102.47	0.02	94.95	0.03	197.76	0.04	187.78	0.06	139.21	0.05	2,491.74	2,650.45	2,569.28	2,558.49	2,664.55
		Interest Payment#	9.58	0.04	9.59	0.06	19.64	0.06	20.07	0.07	21.27	0.08	-	-	-	-	-

Name of Government/ Government entities	Nature of Relationship with the Company	Nature of Transaction	Transaction										Outstanding Balance				
			For the six months ended September 30, 2023	% of Term Loans Outstanding / Total Income (%)	For the six months ended September 30, 2022	% of Term Loans Outstanding / Total Income (%)	During 2022-2023	% of Term Loans Outstanding / Total Income (%)	During 2021-2022	% of Term Loans Outstanding / Total Income (%)	During 2020-2021	% of Term Loans Outstanding / Total Income (%)	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(MNRE)		Guarantee Fee Payment*#	750.05	3.23	444.26	2.82	888.52	2.55	972.15	3.38	1,152.84	4.34	-	-	-	-	-
		Raising of taxable bonds on behalf of MNRE	-	-	-	-	-	-	-	-	-	-	GOI Fully Serviced Bonds Series –I: 6,100.00 Series IA: 2,200.00 Series IB: 8,100.00 **Total: 16,400.00**				

[*] *Represents the proportionate amount for the period reported.*
[#] *Calculated as a % total income.*
[@] *Calculated as a % term loan outstanding.*

IV. IREDA is a Public Sector Undertaking (PSU) under the administrative control of Ministry of New & Renewable Energy (MNRE), Government of India. Significant transactions with related parties under the control/ joint control of the same government are as under:

(in ₹ million)

Name of the Company	Nature of Transaction	Transaction										Outstanding Balance				
		During the six months ended September 30, 2023	% of Term Loans Outstanding / Total Income (%)	During the six months ended September 30, 2022	% of Term Loans Outstanding / Total Income (%)	During 2022-2023	% of Term Loans Outstanding / Total Income (%)	During 2021-2022	% of Term Loans Outstanding / Total Income (%)	During 2020-2021	% of Term Loans Outstanding / Total Income (%)	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
REWA Ultra Mega Solar	Disbursement of loan@	-	0.00	-	0.00	614.40	0.13	449.80	0.13	-	-	-	-	1,960.28	1,403.64	999.04

Name of the Company	Nature of Transaction	Transaction										Outstanding Balance				
		During the six months ended September 30, 2023	% of Term Loans Outstanding / Total Income (%)	During the six months ended September 30, 2022	% of Term Loans Outstanding / Total Income (%)	During 2022-2023	% of Term Loans Outstanding / Total Income (%)	During 2021-2022	% of Term Loans Outstanding / Total Income (%)	During 2020-2021	% of Term Loans Outstanding / Total Income (%)	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Limited																
REWA Ultra Mega Solar Limited	Repayment of loan@	32.49	0.01	28.88	0.01	57.76	0.01	45.19	0.01	-	-	1,927.79	1,347.46	1,960.28	1,403.64	999.04
State Bank of India	Repayment of Loan@	3.93	0.00	4.47	0.00	8.95	0.00	8.95	0.00	8.95	0.00	18.64	27.04	22.57	31.52	40.46
Housing & Urban Development Corporation	Ground Rent and License Fees Paid#	-	-	-	-	-	-	-	-	0.76	0.00	-	-	-	-	-
Life Insurance Corporation of India	Rent-Branch Office#	0.38	0.00	0.35	0.00	0.73	0.00	0.69	0.00	0.69	0.00	-	-	-	-	-
NBCC (India) Limited	Maintenance Charges for Hired Space RINL Office#	5.37	0.02	7.85	0.05	13.41	0.04	2.26	0.01	8.94	0.03	2.46	-	2.46	1.04	-
Power Grid	Internet Connectivi	0.67	0.00	0.89	0.01	0.89	0.00	0.91	0.00	0.93	0.00	-	-	-	(0.45)	-

Name of the Company	Nature of Transaction	Transaction										Outstanding Balance				
		During the six months ended September 30, 2023	% of Term Loans Outstanding / Total Income (%)	During the six months ended September 30, 2022	% of Term Loans Outstanding / Total Income (%)	During 2022-2023	% of Term Loans Outstanding / Total Income (%)	During 2021-2022	% of Term Loans Outstanding / Total Income (%)	During 2020-2021	% of Term Loans Outstanding / Total Income (%)	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Corporation of India Limited	ty Charges#															
Rashtriya Ispat Nigam Limited	Hired Space RINL Rent#	-	-	-	-	-	-	2.04	0.01	5.82	0.02	-	-	-	-	2.04
Solar Energy Corporation of India	Reimbursement Of Expenses#	-	-	-	-	-	-	-	-	-	-	(0.94)	(0.94)	(0.94)	(0.94)	(0.94)
Solar Energy Corporation of India Solar Project	Kasargod Project#	-	-	-	-	-	-	18.10	0.06	17.18	0.06	-	-	-	-	18.10
Central Warehousing Corporation	Office Sanitisation#	1.26	0.01	1.51	0.01	2.98	0.01	3.02	0.01	-	-	-	-	-	(0.25)	-
SJVN Green Energy Limited	Disbursement of Loan@	-	-	-	-	15,299.10	3.25	-	-	-	-	15,299.10	-	15,299.10	-	-

Name of the Company	Nature of Transaction	Transaction										Outstanding Balance				
		During the six months ended September 30, 2023	% of Term Loans Outstanding / Total Income (%)	During the six months ended September 30, 2022	% of Term Loans Outstanding / Total Income (%)	During 2022-2023	% of Term Loans Outstanding / Total Income (%)	During 2021-2022	% of Term Loans Outstanding / Total Income (%)	During 2020-2021	% of Term Loans Outstanding / Total Income (%)	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Broadcast Engineering Consultants India Limited	Repayment of Loan@	155.56	0.03	-	-	-	-	-	-	-	-	644.44	-	-	-	-

 # Calculated as a % total income.
@ Calculated as a % term loan outstanding.

During the half year ended September 30, 2023, the Company has also received interest of ₹782.81 million (for the half year ended September 30, 2022 ₹81.12 million, for the year ended March 31, 2023 ₹399.86 million, for the year ended March 31, 2022, ₹105.11 million, for the year ended March 31, 2021 ₹107.18 million) and repayments of principal of ₹191.98 million (For the half year ended September 30, 2022 ₹33.35 million, for the year ended March 31, 2023 ₹66.71 million, during year ended March 31, 2022 ₹54.14 million, March 31, 2021 ₹8.95 million) on the loans to government related entities. Further, an amount of ₹53.64 million for the half year ended September 30, 2023 (for the half year ended September 30, 2022 ₹1.25 million, for the year ended March 31, 2023 ₹71.26 million, during the year ended March 31, 2022 ₹61.72 million, during the year ended March 31, 2021: ₹59.02 million) has been accounted for as service charges towards the various schemes implemented as per the mandate of the Government of India (GoI). Refer Note 28 of restated standalone and consolidated financial statements.

Above transactions with the Government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses, air travel and deposits etc. with other CPSUs. They are insignificant individually and collectively and hence not disclosed. All transactions are carried out on market terms.

For details of the related party transactions, as per the requirements under Ind AS 24 'Related Party Disclosures' and as reported in the Restated Financial Information, see "*Restated Financial Information – Note 38(10): Related Party Disclosures*" on page 407. The related party transactions have been entered into and are disclosed in this Prospectus in compliance with applicable laws.

Financing Arrangements

There have been no financing arrangements whereby our Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company (other than in the normal course of the business of the relevant financing entity) during a period of six months immediately preceding the date of filing of this Prospectus.

Details of price at which specified securities were acquired by/allotted to our Promoter/ Promoter Selling Shareholder in the last three years preceding the date of this Prospectus

Except as disclosed below, our Promoter/ Promoter Selling Shareholder has not acquired any Equity Shares in the three years immediately preceding the date of this Prospectus:

S. No.	Name of the Promoter/ Promoter Selling Shareholder	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share
1.	The President of India, acting through the Ministry of New and Renewable Energy, Government of India	March 31, 2022	1,500,000,000	10.00

Note: The above details have been certified by DSP & Associates, Chartered Accountants, our Statutory Auditors, pursuant to the certificate dated November 24, 2023.

Weighted average price at which Equity Shares were acquired by the Promoter/ Promoter Selling Shareholder in the one year preceding the date of this Prospectus

No Equity Shares were acquired by the Selling Shareholders in the one year preceding the date of this Prospectus.

Weighted average cost of acquisition of all Equity Shares transacted in the one year, eighteen months and three years preceding the date of this Prospectus

The weighted average cost of acquisition at which the Equity Shares were transacted in the preceding one year, 18 months and three years preceding the date of this Prospectus is as follows:

Period	Weighted average cost of acquisition per Equity Share (WACA) (in ₹)	Cap Price is 'X' times the WACA (in ₹)	Range of acquisition (Lowest Price-Highest Price) (in ₹)
Last one year preceding the date of this Prospectus	N.A.	N.A.	N.A.
Last 18 months preceding the date of this Prospectus	N.A.	N.A.	N.A.
Last three years preceding the date of this Prospectus	10.00	3.20	10.00-10.00

Note: As certified by our DSP & Associates, Chartered Accountants, our Statutory Auditors by way of their certificate dated November 24, 2023.

Average cost of acquisition for Promoter/ Promoter Selling Shareholder

The average cost of acquisition per Equity Share acquired by our Promoter/ Promoter Selling Shareholder, as on the date of this Prospectus is as follows:

S. No.	Name of the Promoter/ Promoter Selling Shareholder	Number of Equity Shares held	Average cost of acquisition per Equity Share (in ₹)
1.	The President of India, acting through the Ministry of New and Renewable Energy, Government of India	2,284,600,000	10.00

Notes:

(1) The above details have been certified by DSP & Associates, Chartered Accountants, our Statutory Auditors, pursuant to the certificate dated November 24, 2023.

(2) From the Equity Shares held by our Promoter in the Company, 100 Equity Shares of ₹10 each are held by certain nominees of our Promoter, namely, Ajay Yadav, Aseem Kumar, Dinesh Dayanand Jagdale, Mini Prasannakumar, Jeevan Kumar Jethani, J Rajesh Kumar and Prabir Kumar Dash.
(3) Pursuant to a board resolution dated June 15, 2016 and shareholders' resolution dated November 28, 2017, each equity shares of our Company of face value ₹1,000 was sub-divided into 100 Equity Shares of ₹10 each and the appropriate adjustment has been carried out.

For further details of the acquisition of Equity Shares of our Promoter, see "*Capital Structure – Details of Shareholding of our Promoter in the Company*" at page 105.

Details of pre-IPO Placement

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus until the listing of the Equity Shares.

Issuances of Equity Shares made in the last one year for consideration other than cash

Our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Prospectus.

Split or consolidation of Equity Shares in the last one year

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

Exemption from complying with any provisions of securities laws granted by SEBI

Our Company through its letter dated September 7, 2023 had sought an exemption from SEBI under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations from: (i) compliance with certain corporate governance requirements in relation to the terms of reference of the Nomination and Remuneration Committee as specified under Regulation 19(4) read with Schedule II – Part D and Regulation 17(6)(a) of the SEBI Listing Regulations and the Audit Committee as specified under Regulation 18(3) read with point (2) of para (A) under Schedule II - Part C of the SEBI Listing Regulations; and (ii) requirement of making a security deposit of 1% required under Regulation 38 of the SEBI ICDR Regulations in relation to the Offer for Sale by the Government of India. SEBI, *vide* its letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/40948/1 dated October 4, 2023, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company, and from the requirement of making a security deposit in relation to the Offer for Sale, as prescribed under the SEBI ICDR Regulations. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further details, see "*Risk Factors – Our Company may not be in compliance with certain provisions of the SEBI Listing Regulations*", and "*Our Management – Corporate Governance*" on pages 48 and 291, respectively.

SECTION II: RISK FACTORS

An investment in the equity shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. We have described the risks and uncertainties that our management believes are material but the risks set out in this Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. Potential investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to legal and regulatory environment which may differ in certain respects from that of other countries. If anyone or some combination of the following risks or other risks which are not currently known or are now deemed immaterial actually occurs or were to occur, our business, results of operations, cash flows, financial condition and prospects could suffer and the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below.

In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and the risks involved. Prospective investors should consult their own tax, financial and legal advisors about the particular consequences to such investors of an investment in this Offer. The following information is included for analytical purposes and should be read in conjunction with our "Restated Financial Information" on page 321 as well as "Industry Overview", "Our Business", "Key Regulations and Policies", "Outstanding Litigation and Material Developments" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 136, 219, 264, 573 and 520, respectively. The restated consolidated financial information for Fiscal 2021 is not directly comparable with the restated standalone financial information for Fiscals 2022, 2023 and for the six months ended September 30, 2022 and September 30, 2023, since we did not have an associate in such subsequent periods. Our holding in our associate, which was terminated on March 26, 2022, amounted to 0.002% of our total assets as of March 31, 2021. Unless otherwise indicated or the context otherwise requires, the Restated Financial Information included in this Prospectus for Fiscals 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 is derived from our restated standalone financial information, and the financial information for Fiscal 2021 is derived from our restated consolidated financial information. For further information, see "Restated Financial Information" on page 321. Unless the context otherwise requires, and in connection with Fiscal 2021, in this section, references to "we", "us", "our", "the Company", or "our Company" refer to Indian Renewable Energy Development Agency Limited on a standalone basis.

This Prospectus also contains forward-looking statements, which refer to future events that involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results to be materially different from those expressed or implied by the forward-looking statements. For further details, see "Forward-Looking Statements" on page 19. Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs" dated November 2023 (the "**CARE Report**") prepared and issued by CARE Advisory Research & Training Limited. The CARE Report has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and is commissioned by our Company pursuant to mandate letter dated June 9, 2023, and paid for by the BRLMs in equal proportion. Forecasts, estimates, predictions and any other forward- looking statements contained in the CARE Report are inherently uncertain because of changes in factors underlying their assumptions, or events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions or such statements. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CARE Report was available on the website of our Company at https://www.ireda.in/home, from the date of the Red Herring Prospectus till the Bid/Offer Closing Date.*

INTERNAL RISKS

1. Our business and financial performance could suffer if we are unable to effectively manage the quality of

our growing asset portfolio and control the level of our non-performing assets ("NPAs").

Set forth below are details of our Term Loans Outstanding, asset quality ratios, as well as provision coverage ratio, as of each of the corresponding periods:

Particulars	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Term Loans Outstanding (₹ million)	278,539.21	339,306.06	470,755.21	337,833.59	475,144.83
Gross NPA(1) (₹ million)	24,415.53	17,682.54	15,133.54	17,087.67	14,860.81
Gross NPA(2) (%)	8.77%	5.21%	3.21%	5.06%	3.13%
Net NPA(3) (₹ million)	15,102.24	10,353.90	7,680.24	8,957.41	7,710.76
Net NPA ratio(4) (%)	5.61%	3.12%	1.66%	2.72%	1.65%
Provision Coverage Ratio(5) (%)	38.14%	41.45%	49.25%	47.58%	48.11%

(1) Gross NPA represents Term Loans Outstanding pertaining to loans which are required to be classified as NPA as per the Income Recognition, Asset Classification and Provisioning norms issued and modified by RBI from time to time.
(2) Gross NPA (%) represents Gross Non-performing Term Loans divided by Term Loans Outstanding at the period end, as a percentage.
(3) Net NPA represents Gross NPA reduced by NPA provisions as of the last day of relevant period
(4) Net NPA (%) represents Net Non-performing Term Loans divided by Net Term Loans Outstanding, as at the period end, as a percentage. Net Term Loans represent Term Loans Outstanding minus NPA Provisions, as at the period end.
(5) Provision Coverage Ratio represents total provisions held on Gross NPA as at the end of the period, as a percentage of total Gross NPAs as at the end of the period.

Our NPAs may increase due to inability of borrowers to repay our loans due to factors such as delay in payment from state electricity distribution companies ("**DISCOMs**"), tariff and regulatory related issues, force majeure events (drought, flood, diversion of water of river/canal), delay in project implementation and commissioning, generation related issues, rise in raw material prices (biomass/municipal solid waste/gas) and financial stress due to other factors including macroeconomic conditions. In addition, although we are increasing our efforts to improve collections and to foreclose on existing impaired loans in a timely manner, there cannot be any assurance that we will be successful in our efforts or that the overall quality of our loan portfolio will not deteriorate in the future, including due to deterioration in the quality of the assets that we hold as security. Set forth below are our asset quality details as of the corresponding periods:

Classification of Gross Term Loans Outstanding	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
	Term Loans Outstanding (₹ million)				
Stage-1 Loans*	237,737.44	294,884.04	439,424.05	298,355.41	444,144.37
Stage-2 Loans	16,386.24	26,739.48	16,197.62	22,390.51	16,139.65
Stage-3 Loans	24,415.53	17,682.54	15,133.54	17,087.67	14,860.81
Total	**278,539.21**	**339,306.06**	**470,755.21**	**337,833.59**	**475,144.83**

**Figures include funded interest term loans and inter-company balances.*

To address these risks, we review our debt repayment positions on a regular basis to identify potentially problematic loans at an early stage and prepare for corrective action to ensure efficient resolution of such accounts. We ensure interventions at multiple levels to resolve special mention accounts ("**SMAs**"), such as correspondence with these accounts, as well as quarterly borrower meetings with our senior management. We also hold structured internal reviews on a monthly basis for discussion on status and action on SMAs to ensure that we drive coordinated and timely action across different functions such as monitoring, recovery, legal and business. For further information on our provisions and classification of our loans, see "*Selected Statistical Information – Asset Quality*" and "*Selected Statistical Information - Provisions for NPAs*" on pages 311 and 316, respectively. Any increase in NPAs will reduce the net interest-earning asset base and increase provisioning requirements. While we have witnessed a reduction in our Gross NPAs, as set forth above, there can be no assurance that assets classified as restructured will not subsequently be classified as delinquent or non-performing if a borrower fails to restore its financial viability and honour its loan servicing obligations. There can be no assurance that the debt restructuring criteria approved by us will be adequate or successful and that borrowers will be able to meet their obligations under restructured loans. Any resulting increase in delinquency levels may adversely impact our business, financial condition and results of operations.

2. ***Volatility in interest rates could adversely affect our business, hedging instruments, net interest income and net interest margin, which in turn would adversely affect our business, results of operations and financial condition.***

Our business depends on interest income from the loans disbursed by us and the interest rates at which we borrow from banks and/or financial institutions. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions. An increase in our cost of funds may lead to a reduction in our net interest margins. Set forth below are details of our interest income and net interest margin, as of each of the corresponding periods:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
Interest income (₹ million)	26,323.24	27,611.85	34,362.29	15,555.07	23,122.71
Interest income as percentage of total income (%)	99.04%	96.07%	98.66%	98.59%	99.65%
Net interest margin (%)[(1)]	3.93%	3.75%	3.32%	1.79%*	1.68%*

** Not annualised*

Note:

1. *Net interest margin for any given year/ period represents net interest income divided by average interest earning assets, as a percentage.*

If we suffer a decline in net interest margins, we would be required to increase our lending activity in order to maintain our profitability. In case we are not able to do so we may suffer reduced profitability. As of September 30, 2023, 5.68% of our Term Loans Outstanding were extended at fixed rates of interest, while 94.32% were on floating interest rates. During periods of low interest rates, our borrowers may seek to reduce their borrowing cost by asking to reprice loans. When assets are repriced, the spread on loans, which is the difference between the average yield on loans and the average cost of borrowings, could be affected. To the extent that our borrowers prepay loans, the return on our capital may be impaired as any prepayment premium we receive may not fully compensate us for the redeployment of such funds elsewhere. When interest rates increase, we may be unable to pass on such increase to the borrowers and increase in the interest rate on reset may also result in the borrowers' prepayment of such loans. An increase in interest rate can add to the financial stress of our borrowers, leading to higher delinquencies and reduced overall demand for our loans. We generally hedge our floating interest rate linked foreign currency loans by availing derivate products such as currency and principal-only hedges. Set forth below are details of our borrowings outstanding in foreign currency, details of hedged foreign currency risks, as well as gains/ loss on such hedging transactions in the corresponding periods:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
Foreign currency borrowings (₹ million)	103,180.11	104,320.31	101,329.27	99,826.70	96,857.68
Foreign currency borrowings, as a percentage of total borrowings (%)	42.99%	37.78%	25.23%	33.02%	24.31%
Hedges - Forward contracts/ SWAPs (₹ million)	79,654.68	84,915.97	82,466.67	83,511.06	71,396.61
Foreign currency borrowings hedged, as a percentage of total foreign currency borrowings (%)	77.20%	81.40%	81.38%	83.66%	73.71%
Effective portion of gain/ (loss) on hedging instrument in cash flow hedge reserve (₹ million)	(3,282.86)	(1,032.31)	(502.11)	(2,445.59)	(2,142.63)

Exchange difference on monetary items that qualify as hedging instruments in cash flow hedge are recognized in other comprehensive income to the extent hedge is effective. Accordingly, we recognize the exchange difference due to translation of foreign currency loans at the exchange rate prevailing on reporting date in cash flow hedge reserve. Further, a portion of our assets under funding has been linked to repo rates similar to the repo-linked bank loans availed by us. Our cost of funds and operating expenses may increase to a level where it is difficult to comply with directions of the RBI. If we are unable to effectively and efficiently manage such interest rate variations over the duration of the project loans, our business, results of operations and financial condition may be adversely affected.

3. ***We may be unable to secure borrowings on commercially acceptable terms and at competitive rates, which could adversely affect our business, results of operations and financial condition.***

Our business is dependent upon our timely access to, and the costs associated with, our borrowings for onward lending. Set forth below are details of our debt funding, the average cost of such borrowing and our gearing ratio, in the corresponding periods:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
Finance cost (₹ million)	16,401.09	16,331.41	21,124.64	9,137.54	15,268.48
Finance cost, as a percentage of total expenses (%)	78.54%	80.04%	90.13%	96.90%	101.72%
Total borrowings (₹ million)	240,000.04	276,130.72	401,652.80	302,303.63	398,501.93
Average cost of borrowing (%)$^{(1)}$	7.15%	6.33%	6.23%	3.22%*	3.82%*
Gearing ratio	8.01	5.24	6.77	5.36	6.06

** Not annualised*

Notes:

(1) *Interest expended during the period divided by average borrowings from all sources, as a percentage. For the purpose of computation of average cost of borrowings, finance cost is considered including gain or loss on foreign currency exchange rate fluctuation and other borrowing cost.*

(2) *Gearing ratio is calculated by dividing total borrowings by the Shareholders Equity at the end of the period.*

Our finance cost, as a percentage of total expenses, was high in the six months ended September 30, 2023 as total expenses include reversal of impairments of financial assets of ₹ 1,143.75 million, owing to increase in benchmark rates that affected 37.81% of our total borrowing which were availed at floating rates of interest and the impact of borrowings availed in Fiscal 2023. The repo rate increased from 4.00% as of March 31, 2021 and March 31, 2022 to 5.90% as of September 30, 2022 and further to 6.25% as of March 31, 2023 and 6.50% as of September 30, 2023. (*Source: CARE Report*) Such factors may continue to raise our finance costs. We also experienced reversal of impairments of financial assets amounting to ₹ 1,143.75 million in the six months ended September 30, 2023 on account of loan upgradation and recovery. Impairment of financial assets is calculated in line with Ind AS 109 considering probability of default, loss given default based on expected credit loss methodology. For further information on our impairment of financial assets, see "*Financial Information – Note 38. Financial risk management – Significant estimates and judgements – Impairment of financial assets*" on page 441. Our ability to borrow on acceptable terms and at competitive rates depends on factors including our credit ratings, our capital adequacy ratios, our brand equity and risk management policies, foreign exchange rates, hedging cost and volatility in interest and exchange rates, the regulatory environment, liquidity in the markets, policy initiatives in India, developments in international markets affecting the Indian economy and the perception of investors, and our current and future results of operations. Our ability to raise debt to meet our funding requirements is also restricted by the limits prescribed under applicable regulations. For further information, see "*Key Regulations and Policies in India – Key Regulations Applicable to our Company*" on page 264. Our ability to raise debt is also subject to the borrowing limits approved by our shareholders. For further information on our borrowing limits, see "*Our Management – Borrowing Powers of our Board*" on page 291. Set forth below are details regarding our source of funds and nature thereof:

Particulars$^{(3)}$	As of March 31,						As of September 30,			
	2021 (Consolidated)		2022 (Standalone)		2023 (Standalone)		2022 (Standalone)		2023 (Standalone)	
	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings
Borrowings from domestic banks and financial institutions	33,849.51	14.10%	70,429.84	25.51%	184,920.79	46.04%	87,664.37	29.00%	179,297.92	44.99%
Borrowings from international banks and financial	103,180.11	42.99%	104,320.31	37.78%	101,329.27	25.23%	99,826.70	33.02%	96,857.68	24.31%

Particulars[3]	As of March 31,						As of September 30,			
	2021 (Consolidated)		2022 (Standalone)		2023 (Standalone)		2022 (Standalone)		2023 (Standalone)	
	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings
institutions										
Taxable bonds (non-convertible)	44,169.28	18.40%	45,230.14	16.38%	80,856.29	20.13%	60,711.71	20.08%	87,850.43	22.05%
Tax-free bonds (non-convertible)	27,576.54	11.49%	27,576.54	9.99%	27,576.54	6.87%	27,576.55	9.12%	27,576.55	6.92%
External commercial borrowings[1]	19,456.79	8.11%	19,484.70	7.06%	-	-	19,499.21	6.45%	-	-
Subordinated debt[2]	6,491.92	2.70%	6,492.60	2.35%	6,493.33	1.62%	6,492.96	2.15%	6,493.73	1.63%
Borrowings from banks – repayable on demand	4,601.60	1.92%	2,014.42	0.73%	-	-	-	-	-	-
National Clean Energy Fund	674.29	0.28%	582.17	0.21%	476.58	0.12%	532.13	0.18%	425.62	0.10%
Total	**240,000.04**	**100.00%**	**276,130.72**	**100.00%**	**401,652.80**	**100.00%**	**302,303.63**	**100.00%**	**398,501.93**	**100.00%**
Nature of Borrowings										
Foreign Currency Borrowings	**103,180.11**	**42.99%**	**104,320.31**	**37.78%**	**101,329.27**	**25.23%**	**99,826.70**	**33.02%**	**96,857.68**	**24.31%**
Fixed rate	66,185.99	27.58%	69,126.38	25.03%	66,396.60	16.53%	64,223.98	21.24%	61,493.30	15.43%
Variable rate	36,994.12	15.41%	35,193.93	12.75%	34,932.67	8.70%	35,602.72	11.78%	35,364.38	8.87%
Rupees Currency Borrowings	**136,819.93**	**57.01%**	**171,810.41**	**62.22%**	**300,323.53**	**74.77%**	**202,476.93**	**66.98%**	**301,644.25**	**75.69%**
Fixed rate	125,488.40	52.29%	143,366.15	51.92%	184,681.74	45.98%	162,285.56	53.68%	186,348.01	46.76%
Variable rate	11,331.53	4.72%	28,444.26	10.30%	115,641.79	28.79%	40,191.37	13.30%	115,296.24	28.93%
Total Borrowings	**240,000.04**	**100.00%**	**276,130.72**	**100.00%**	**401,652.80**	**100.00%**	**302,303.63**	**100.00%**	**398,501.93**	**100.00%**
Long term Borrowings	233,898.44	97.46%	274,116.30	99.27%	391,652.80	97.51%	302,303.63	100.00%	390,501.93	97.99%
Short term Borrowings[4]	6,101.60	2.54%	2,014.42	0.73%	10,000.00	2.49%	-	-	8,000.00	2.01%
Total Borrowings	**240,000.04**	**100.00%**	**276,130.72**	**100.00%**	**401,652.80**	**100.00%**	**302,303.63**	**100.00%**	**398,501.93**	**100.00%**

Notes:

(1) Masala bonds issued are External Commercial Borrowings. These were redeemed in October 2022.
(2) Subordinated tier II taxable, unsecured bonds.
(3) The above source of funding has been shown at Amortised cost as per Ind AS.
(4) Short term borrowings refer to borrowings with a tenor of less than one year.

To honour our lending commitments, we may be required to avail borrowings at higher costs, which may in turn affect our spread and our financial condition. Further, due to the nature and tenure of the borrowings, it may not be possible for us to pre-pay the existing borrowings by incurring additional indebtedness without payment of penalty and interest. In addition, an increase in debt would lead to leveraging the balance sheet, thereby exerting pressure on the financial covenants that we are required to maintain under various loan agreements. Our liquidity could also be affected as our lenders reassess their exposure to NBFCs and either curtail access to financing facilities or impose higher costs to access such facilities. Our liquidity may be further constrained as there may be less demand by investors to acquire our loans in the secondary market. In the event the current monetary policy changes in India or globally, resulting in a general increase in interest rates, our overall cost of borrowings may increase. Further, if banks or NBFCs are unable to meet their market commitments, this can affect investor confidence in NBFCs generally. A liquidity shortage for the industry as a whole may adversely affect our cash flows.

4. Projects and schemes for generating electricity and energy through renewable sources like solar, wind, hydro, biomass, waste-to-energy and new and emerging technologies have inherent risks and, to the extent they materialize, could adversely affect our business, results of operations and financial condition.

Our business mainly comprises financing of projects and schemes for the generation of energy such as solar, wind, hydro, biomass, co-generation and new and emerging technologies through utilization of renewable sources of energy and projects involving energy efficiency and conservation measures. For further information on the allocation of our Term Loans Outstanding by sector and by customer category (public and private), see "*Selected*

Statistical Information – Concentration of Customers" on page 311. These projects and schemes carry technology as well as sector specific risks, including:

- political, regulatory, fiscal, monetary, legal actions and policies adversely affecting viability of projects to which we lend;
- the fact that renewable energy ("**RE**") projects are intermittent, seasonal and prone to vagaries of nature;
- decrease in tariff for generated power;
- delays in the construction and operation of projects to which we lend;
- adverse changes in demand for, or the price of, energy generated or distributed by the projects to which we lend;
- the willingness and ability of off-takers (including DISCOMs) to pay for the energy produced by projects to which we lend;
- environmental challenges and changes in environmental regulations resulting in time and cost overrun by impacting the project viability;
- potential defaults under financing arrangements of project companies and their equity investors;
- failure of third parties such as contractors, sub-contractors and others to perform on their contractual obligations in respect of projects to which we lend;
- adverse changes in the supply chain;
- adverse changes in the commodity prices may impact the viability of projects;
- adverse fluctuations in interest rates or currency exchange rates;
- lack of infrastructural facilities for transmission of power from generating stations to DISCOMs; and
- economic, health and social instability or occurrences such as natural disasters, armed conflict, pandemics and terrorist attacks, particularly where projects are located or the markets they are intended to serve.

Further there are also specific challenges in different renewable sectors. For solar projects, key challenges include counterparty risk in payment and signing PPAs, high dependency on imports for modules, increase in capital costs due to material cost escalation and intermittent availability of solar energy. (*Source: CARE Report*) Wind energy projects face challenges due to lack of local substructure manufacturers, installation vessels and trained workers in India, in addition to higher installation and maintenance costs. (*Source: CARE Report*) Hydro projects suffer due to delay in project execution, tariff competitiveness with solar and wind power, local environmental costs and high initial costs, (*Source: CARE Report*). For bioenergy projects, key challenges include upfront technology costs and difficulty of obtaining finance from banks, as well as limited resources of municipal corporations, which are responsible for waste management. (*Source: CARE Report*) We address these risks through maintaining a secured asset base, and 93.41% of our Term Loans Outstanding as of September 30, 2023, have security cover. For instance, in the three preceding Fiscals and the six months ended September 30, 2023, one ₹ 99.10 million loan that we sanctioned to a borrower towards the manufacturing, supply, erection, installation and commissioning of energy efficiency equipment in the state of Manipur became an NPA as a result of delay in realization of payment from the relevant DISCOM. As the project was secured by partial risk sharing facility, we have initiated procedures for claiming the amount under guarantee. As of September 30, 2023, the principal outstanding under the loan is ₹ 67.81 million. We also focus on funding projects backed by power purchase agreements. Notwithstanding these steps, the risks mentioned above or other risks relating to the RE projects we finance could materially adversely affect our business, results of operations and financial condition.

5. ***Our business is subject to periodic inspections by the RBI, and our non-compliance with observations made by the RBI during these inspections, or significant lapses identified by the RBI in course of inspections, could expose us to penalties and restrictions.***

The RBI conducts periodic on-site inspections on all matters addressing our operations as a NBFC and relating to, among other things, our portfolio, risk management systems, credit concentration risk, internal controls, credit allocation and regulatory compliance. During the course of finalizing this inspection, the RBI inspection team shares its findings and recommendations with us and provides us an opportunity to provide clarifications, additional information and, where necessary, justification for a different position, if any, then that observed by the RBI. The RBI incorporates such findings in its final inspection report and, upon final determination by the RBI of the inspection results, we are required to take actions specified therein by the RBI to its satisfaction, including, without limitation, requiring us to take enhanced compliance measures with respect to our business. Any significant deficiencies identified by the RBI that we are unable to rectify to the RBI's satisfaction could lead to sanctions and penalties imposed by the RBI, as well as expose us to increased risks. Such annual inspection reports from the RBI include, inter alia, observations, actions and corrective measures in the area of policies and procedures, risk management, internal audit, IT systems, exposure norms, among others. As of the date of this

Prospectus, our most recent RBI inspection has been conducted for Fiscal 2022 and we have received the inspection report, risk assessment report and risk mitigation plan. In the three preceding Fiscals, RBI has conducted inspection of our Company for Fiscal 2021 and 2022. Our most recent inspection was for Fiscal 2022 and there has been no subsequent inspection since the one for Fiscal 2022 as of the date of this Prospectus. The inspection report for Fiscal 2022 identified certain deficiencies and non-compliances in our business operations including (i) organisational setup; (ii) review of performance of directors; (iii) senior management effectiveness; (iv) coverage of internal audit; and (v) role/oversight of Audit Committee; and certain governance and oversight risks associated with business, credit, market, liquidity, and operations of our Company. We have responded to the observations made in the inspection report on September 14, 2023. Further, no action/penalty has been imposed on us by RBI during the last three Fiscals.

Any failure to meet such requirements set forth by the RBI could materially and adversely affect our reputation, business, financial condition, cash flows, results of operations, pending applications or requests with the regulators and our ability to obtain the regulatory permits and approvals required to expand our business.

6. ***Our credit ratings have been downgraded in the past. Any future downgrade in our credit ratings could adversely affect our business, results of operations and financial condition.***

We have witnessed downgrade of our credit ratings in the past. For instance, on September 1, 2020, India Ratings downgraded our bonds and subordinated debt to "IND AA+'/Stable" from "AAA/Negative". For further information, see "*Our Business – Our Credit Ratings*" on page 251. While our ratings have subsequently been upgraded, there can be no assurance that we will be able to maintain our ratings or that they will not be downgraded in future. Further, rating agencies may also withdraw their ratings altogether, which may have the same effect as a reduction in our ratings. Owing to the redemption of our Masala Bonds in October 2022, we requested Moody's and Fitch Ratings to withdraw the credit ratings assigned to the Masala Bonds. Further, in August 2023, Brickworks migrated our rating to 'Issuer Not Cooperating'. This was on account of an ongoing challenge to Brickwork's license, owing to which we sought information on the validity of the license before providing data. As of the date of this Prospectus, we continue to retain the 'Issuer Not Cooperating' status from Brickworks, in addition to our BWR AAA Stable rating. Set forth below are details of our bonds and subordinated debt outstanding as of the corresponding periods:

Particulars	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Outstanding amount of bonds* (₹ million)	91,202.61	92,291.38	108,432.83	107,787.47	115,426.98
Outstanding amount of bonds, as a percentage of total borrowings (%)	38.00%	33.42%	27.00%	35.66%	28.97%
Outstanding amount of subordinated debt (₹ million)	6,491.92	6,492.60	6,493.33	6,492.96	6,493.73
Outstanding amount of subordinated debt, as a percentage of total borrowings (%)	2.70%	2.35%	1.62%	2.15%	1.63%

* *Includes external commercial borrowings though masala bonds.*

Any future reduction in, or withdrawal of, our ratings may affect our ability to raise borrowings at an attractive pricing in international markets, increase our borrowing costs, limit our access to equity and debt capital markets and adversely affect our ability to engage in business transactions, particularly longer term transactions, or retain our customers, thereby affecting our net interest income and net interest margin. In addition, any downgrade of our credit ratings could result in additional terms and conditions being included in any financing or refinancing arrangements in the future. This, in turn, could reduce our liquidity and have an adverse effect on our business, results of operations and financial condition.

7. ***We have had instances of non-compliance with covenants under our financing agreements in the past. Any future non-compliance may lead to action against us, adversely affecting our reputation, cash flows and results of operations.***

We have, in the past, not been in compliance with covenants for our international lines of credit under our financing documents, including with the Asian Development Bank ("**ADB**") in relation to maintenance of gross non-performing loan level. While we are in compliance as of the date of this Prospectus, there can be no assurance that we will be able to comply with such covenants in future. In connection with our borrowing from European Investment Bank, we have been in breach of a covenant requiring external credit rating to be maintained for our securities, which we have not had since requesting Moody's and Fitch to withdraw their ratings upon redemption of our Masala Bonds in October 2022. As of the date of this Prospectus, we are in discussion with European Investment Bank to replace the relevant covenant with alternative financial covenants. We have obtained waiver from Agence Francaise De Developpement in respect of breaches of the credit-exposure ratio. While no action has been taken against our Company for such breach of covenants, in the event of any future breach of any covenant contained in these financing agreements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Breach of covenants may lead to restrictions on further loan drawdowns. Further, financing arrangements also contain cross default provisions which could automatically trigger defaults under other financing arrangements. As of the date of this Prospectus, none of our lenders have issued any notice of default or required us to repay any part of our borrowings as a result of such breaches. Any future breaches may also require us to seek waivers from the relevant lenders. Further, as of the date of this Prospectus, we have obtained all necessary consents from our lenders in connection with the Offer.

8. ***We have had negative cash flows from operations in the past. There is no assurance that such negative cash flows from operations shall not recur in the future.***

Our cash outflows relating to loans we disburse (net of any repayments we receive) is reflected in our cash flow from operating activities whereas the cash inflows from external funding we procure (net of any repayments of such funding) to disburse these loans are reflected in our cash flows from financing activities. The following table sets forth certain information relating to our cash flows for the periods indicated:

Particulars	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**Six months ended September 30,**	
				2022	**2023**
	(₹ million)				
Net cash flows from/ (used in) operating activities	(32,591.40)	(52,541.18)	(123,430.78)	(5,367.24)	2,860.06
Net cash flows from/ (used in) investing activities	(20.98)	(1,071.21)	(172.09)	(23.10)	(56.93)
Net cash flows from/ (used in) financing activities	24,411.78	52,713.96	123,676.43	27,541.75	(586.05)

For further information, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Summary of Cash Flows"* on page 554. Such negative cash flows led to a net decrease in cash and cash equivalents for respective years. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. Any negative cash flow in future could adversely affect our operations and financial conditions and the trading price of our Equity Shares. For further information, see "*Financial Information*" beginning on page 321.

9. ***Certain of our historical corporate records in connection with the allotment of our Equity Shares are not traceable. We cannot assure you that there will not be any imposition of penalty in the future in relation to these matters, which may impact our financial condition and reputation.***

We do not have records of certain challans in relation to form filings made with the RoC. These include, challans generated by the RoC in relation to Form 2 filed with the RoC for the allotment of (i) 20,000 Equity Shares on June 25, 1987; (ii) 22,500 Equity Shares on December 30, 1987; (iii) 17,500 Equity Shares on August 4, 1988; (iv) 7,500 Equity Shares on March 15, 1989; (v) 135,000 Equity Shares on January 28, 2002; and (vi) 450,000 Equity Shares on June 19, 2013.

While certain information in relation to these allotments has been disclosed in the section *"Capital Structure"* on page 97 of this Prospectus, based on the board resolutions, and based on the form filings, we may not be able to furnish any further information other than as already disclosed in *"Capital Structure"* on page 97, or that the records mentioned above will be available in the future. We cannot assure you that these documents will be available in the future or that we will be able to furnish them to any competent regulatory authorities, if required, in this respect.

10. Certain DISCOMs that purchase electricity from our borrowers and certain states have sought revision in the terms of their existing PPAs. A downward revision in the tariffs could negatively affect the cash flows and financial conditions of our borrowers and may affect their repayment capabilities.

Our borrowers could be negatively affected if DISCOMS or state governments, for any reason, become unable or unwilling to fulfil their related contractual obligations under their PPAs with our borrowers, refuse to accept delivery of power delivered under PPAs with our borrowers or otherwise terminate such PPAs prior to the expiration thereof. If such events occur, the cash flow and financial condition of such borrowers may be adversely affected and may impact their capability to repay the loans availed from us. On July 1, 2019, the Government of Andhra Pradesh vide an order bearing no. GO RT No 63 of 2019 ("**Order**"), constituted a High-Level Negotiation Committee to revisit and review PPAs for solar and wind projects in the state of Andhra Pradesh with a view to bring down the tariffs. Pursuant to the Order, a letter dated July 12, 2019, was issued by Andhra Pradesh Distribution Company to the developers to reduce the quoted tariff to ₹2.43 per unit for wind projects for the pending bills, and ₹2.44 per unit for solar projects from the date of commissioning and threatened termination of the PPA in case of refusal of the developers to accede to such reduction ("**Letter**"). The developers challenged both the Order and the Letter in the High Court at Vijayawada. The High Court vide order dated September 24, 2019, set aside both the Order and the Letter. However, as an interim measure, until the issue of possibility of reduction of existing tariff is decided by the High Court, the Andhra Pradesh Electricity Regulatory Commission directed the Andhra Pradesh Distribution Company to honour the outstanding and future bills of the developers and pay at an interim rate of ₹ 2.43 and ₹ 2.44 per unit for wind and solar projects, respectively. This order of the single judge had been challenged in an appeal filed by the developers. The Andhra Pradesh High Court during the hearing on April 14, 2022, set aside the earlier order setting the interim tariff of ₹ 2.44 per unit for solar power and ₹ 2.43 per unit for wind power and directed the Andhra Pradesh DISCOMs to make payment of all pending and future bills at the tariff mentioned in the PPAs. Legal or regulatory disputes of this nature or an adverse outcome for our borrowers could result in deterioration in their receivables under the PPAs. As of September 30, 2023, we had Term Loans Outstanding of approximately ₹ 208,117.32 million, amounting to approximately 43.80% of our Term Loans Outstanding, to borrowers who we are aware have signed power purchase agreements with DISCOMS. If our borrowers do not receive payments as provided under their PPAs, they may not have sufficient cash flows to meet their repayment obligations towards us which may affect our financials.

11. Our Statutory Auditor has included observations and certain emphasis of matters in the audit reports on the audited consolidated financial statements of our Company as at and for the year ended March 31, 2021 and on the audited standalone financial statements of our Company as at and for the years ended March 31, 2022 and 2023 and for the six months ended September 30, 2022 and September 30, 2023. Further, they have included certain remarks in connection with the Companies (Auditor's Report) Order, 2020/ Companies (Auditor's Report) Order, 2016.

Set forth below are the matters of emphasis in the Statutory Auditors' reports on the audited consolidated financial statements of our Company as at and for the year ended March 31, 2021 and on the audited standalone financial statements of our Company as at and for the years ended March 31, 2022, 2023 and for the six months ended September 30, 2022 and September 30, 2023, and our Company's responses thereto:

Emphasis of Matters	Steps taken or to be taken by our Company to address the Matter
Fiscal 2021	
As described in Note 38 (41) to the Restated Standalone and Consolidated Financial Statements, the extent to which the COVID-19 pandemic including the current "second wave" will have impact on the Parent and its associate Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time. *Our opinion is not modified in respect of the above matter.*	The emphasis of matter is a statement of fact. Our Company has regularly monitored the impact of COVID-19 on the financial performance and has considered the possible effects of the same for determining the recoverability of carrying amounts of financial and non- financial assets.
Fiscal 2022	

Emphasis of Matters	Steps taken or to be taken by our Company to address the Matter
1. *As described in Note 38 (44) to the Financial Statements The Company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹9,187.92 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.
2. *As described in Note 38 (41) to the Financial Statements, the extent to which the COVID-19 pandemic including the recent surge in infections will have impact on Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time.*	The emphasis of matter is a statement of fact. Our Company has regularly monitored the impact of COVID-19 on the financial performance and has considered the possible effects of the same for determining the recoverability of carrying amounts of financial and non- financial assets.
3. *As described in Note No.38 (26) to the Financial Statements, during the year, the Company has liquidated its Investment in Associate Company, M/s M.P. Windfarms Limited. Accordingly, no consolidated Financial Results are required to be presented by the Company.* *Our opinion is not modified in respect of above matters.*	The emphasis of matter is a statement of fact. The accounting, presentation and disclosure for the said liquidation of the associate was done in line with Ind AS 28 on 'Investments in Associates and Joint Ventures'.
Fiscal 2023	
1. *As described in Note 38 (44) to the Financial Statements, the Company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹8,931.29 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.
2. *As described in Note 38 (41) to the Financial Statements, the Company has considered possible effects from COVID-19 pandemic on Company's financial performance including the recoverability of carrying amounts of financial and non- financial assets.* *Our opinion is not modified in respect of above matters.*	The emphasis of matter is a statement of fact. Our Company has regularly monitored the impact of COVID-19 on the financial performance and has considered the possible effects of the same for determining the recoverability of carrying amounts of financial and non- financial assets.
Six months ended September 30, 2023	
The company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 8,867.02 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India (RBI) has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly *Our opinion on the statement is not modified in respect of this matter.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.
Six months ended September 30, 2022	
The company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 11,367.69 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India (RBI) has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly. *Our opinion on the statement is not modified in respect of this matter.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.

In addition, our Statutory Auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020/ Companies (Auditor's Report) Order, 2016 (together, the "**CARO Report**") issued by the Central Government of India under Section 143(11) of the Companies Act, 2013 on the audited financial statements as at and for the Fiscals ended March 31, 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively. As per the regulatory requirements, the CARO report includes information in respect of the directions issued by the Comptroller and Auditor General of India (the "**CAG**") in connection with our IT system, and observations in respect of adequacy of internal financial controls over financial reporting and operative effectiveness of such controls. For a complete reproduction of the statements/comments included in the CARO Report, which do not require any adjustments in our Restated Financial Information, see "*Annexure 6 – Significant Observations Reported in Report on Other Legal and Regulatory Requirements Section of Audit Reports for Each of the Six Months Ended September 30, 2022 and September 30, 2023 and Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021*" in "*Financial Statements – Restated Financial Information*" on page 321. Also see "*Financial Statements – Independent Auditor's Examination Report on Restated Financial Information"* on page 322 for key audit matters identified by our Statutory Auditors.

As we are a PFI, wholly owned by our Promoter, our annual financial accounts are subject to audit by the CAG. The CAG may issue observations and guidance, on the basis of which we may need to take remedial action or steps towards compliance. While the CAG has issued 'nil' report for the three preceding Fiscals, meaning we did not have to make any corrections or take any remedial action, there can be no assurance that we will not receive adverse observations in future.

There can be no assurance that any similar emphasis of matters or other matters prescribed under the Companies (Auditor's Report) Order, 2020, will not form part of our financial statements for the future fiscal periods, which could subject us to additional liabilities due to which our reputation and financial condition may be adversely affected.

12. Our business is entirely concentrated in, and dependent on, the Indian RE sector, which in general has many challenges and effective addressing of these risks are key to the growth of the sector. Even within the Indian RE sector, 81.49% of our Term Loans Outstanding as of September 30, 2023 were concentrated within four sectors. If risks in the RE sector generally and these four sectors thereunder are not managed effectively, our business and operations will be adversely affected.

Our business is concentrated in, and wholly dependent on, the Indian RE sector. Installed capacity of renewable energy, including hydro power, has increased from 123 GW in Fiscal 2019 to 172 GW in Fiscal 2023. The total potential of renewable power in India is estimated to be 1,639 GW. (*Source: CARE Report*) Further, India aims to attain a non-fossil fuel-based installed power generation capacity of approximately 50% (500 GW) by 2030 and Net-Zero emissions by 2070. (*Source: CARE Report)* The viability of the RE sector is linked to a favourable policy framework and the related fiscal and financial incentives available thereunder. Reduction or withdrawal of these benefits may impact the sector adversely. In addition, issues relating to land acquisition, grid evacuation infrastructure, open access permission, grid management problem arising from the variable and intermittent nature of solar, wind and hydro power, tariff related uncertainties, prolonged project commissioning periods on account of delay in approvals from the state governments, large capital outlay, delay in payment to generators by DISCOMs, policy changes can affect project viability during the implementation/ operational stages, with negative impact on debt servicing capability of our borrowers and in turn will also adversely affect our business and operations. In addition, as of September 30, 2023, 29.98% of our Term Loans Outstanding were to the Solar Energy sector, 19.18% were extended as Loan Facility to State Utilities, 20.87% were to Wind Power and 11.46% were to Hydro Power. Cumulatively, these four sectors contributed to 81.49% of our Term Loans Outstanding as of September 30, 2023. While we leverage our experience in the mature RE sectors in entering new and emerging markets and attempt to mitigate sector specific risks through diversification, there can be no assurance that we will be successful. In addition, adverse circumstances affecting the four sectors within which our Term Loans Outstanding are concentrated could have an additional impact on our business, financial condition and results of operations.

13. The RBI prudential norms are applicable to us and if the level of non-performing assets in our loan portfolio were to increase, owing to changes to NPA classification norms or otherwise, our business, results of operations and financial condition would be adversely affected.

Adverse regulatory developments relating to the assessment and recognition of NPAs and provisioning may have an adverse effect on our financial performance. In Fiscal 2019, the RBI withdrew the exemptions from their prudential norms which were previously available to all government NBFC-ND-SI *vide* their circular, dated May 31, 2018. As per the revised RBI norms, the NPA classification, as of March 31, 2019, provided that an NPA includes any loan asset that is in default for more than 120 days and, as of March 31, 2020, includes any loan asset that is in default for more than 90 days. The RBI, pursuant to its circular dated March 3, 2022, applicable to the NBFC-ND-SI sector, has provided that an asset is to be classified as NPA if it is overdue for a period of three months or more. In the past, our gross and net NPAs have been as follows:

Particulars	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Gross NPA[(1)] (₹ million)	24,415.53	17,682.54	15,133.54	17,087.67	14,860.81
Gross NPA [(2)] (%)	8.77%	5.21%	3.21%	5.06%	3.13%
Net NPA[(3)] (₹ million)	15,102.24	10,353.90	7,680.24	8,957.41	7,710.76
Net NPA[(4)] (%)	5.61%	3.12%	1.66%	2.72%	1.65%

(1) Gross NPA represents Term Loans Outstanding pertaining to loans which are required to be classified as NPA as per the Income Recognition, Asset Classification and Provisioning norms issued and modified by RBI from time to time.

(2) Gross NPA (%) represents Gross Non-performing Term Loans divided by Term Loans Outstanding at the period end, as a percentage.

(3) Net NPA represents Gross NPA reduced by NPA provisions as of the last day of relevant period

(4) Net NPA (%) represents Net Non-performing Term Loans divided by Net Term Loans Outstanding, as at the period end, as a percentage. Net Term Loans represent Term Loans Outstanding minus NPA Provisions, as at the period end.

In addition to change in classification of NPAs as a result of complete recovery and consequent transition of accounts from one category to another, our GNPA and NNPA have reduced owing to partial recoveries from non-performing accounts. Our Company follows provision on the basis of expected credit loss methodology as required under Ind-AS, which is in compliance with provisioning requirements as per the RBI. Accordingly, our impairment provisions on account of NPAs as of March 31, 2021, March 31, 2022, March 31, 2023, September 30, 2022 and September 30, 2023 were ₹ 9,313.29 million, ₹ 7,328.65 million, ₹ 7,453.31 million ₹ 8,130.26 million and ₹ 7,150.05 million, respectively. The RBI may in the future require compliance with other prudential norms and standards that it may introduce, which may require us to alter our business and accounting. While there have been no past instances where the RBI has imposed penalties on us, or where we have submitted compounding applications, if we fail to comply such these requirements, or a regulator alleges that we have not complied with these requirements, we may be subject to penalties and compounding proceedings which may affect our financials.

14. We have a concentration of loans to certain customers, and if the financial conditions of these customers deteriorate, our asset quality, financial condition and results of operations could be materially and adversely affected.

We monitor concentration of exposures to borrowers and calculate customer exposure as required by the RBI. Set forth below are details of our borrowings to our largest, top five, top ten and top 20 borrowers, as of the corresponding periods:

Particulars	As of/ For the Year Ended March 31,						As of/ For the Six Months Ended September 30,			
	2021		2022		2023		2022		2023	
	Term Loans Outstanding (in ₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (in ₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (in ₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (in ₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (in ₹ million)	% of Total Term Loans Outstanding
Largest borrower	12,562.50	4.51%	15,500.00	4.57%	22,090.53	4.69%	12,202.24	3.61%	18,333.33	3.86%
Top five borrowers	43,770.00	15.71%	57,613.67	16.98%	83,721.67	17.78%	53,184.89	15.74%	76,787.74	16.16%
Top ten borrowers	66,282.57	23.80%	100,601.59	29.65%	129,724.27	27.56%	93,294.55	27.62%	1,23,089.67	25.91%
Top 20 borrowers	101,035.79	36.27%	1,494,37.12	44.04%	187,117.85	39.75%	139,102.78	41.17%	188,650.59	39.70%

If the exposures of any of our significant customers become non-performing, the credit quality of our portfolio and our business and financial results, as well as the market price of our Equity Shares, could be materially and adversely affected.

15. A significant portion of our NPAs are concentrated in loans to sectors such as biomass power and cogeneration, hydro power and wind power. Further increase in NPAs in these sectors may adversely affect our business, financial condition and results of operations.

Of the RE sectors to which we extend loans, three sectors (hydro power, biomass power and cogeneration and wind power) contribute more significantly to our NPAs, amounting to 80.10% of our NPAs as of September 30, 2023. Set forth below are the contribution of certain sectors to our NPAs, as of September 30, 2023:

Sector	NPA loans outstanding (₹ million)	% of total NPAs	Total loans outstanding (₹ million)
Solar Energy	640.37	4.31%	142,430.81
Wind Power	1,331.10	8.96%	99,184.53
Hydro Power	4,024.45	27.08%	54,472.39
Manufacturing	820.00	5.52%	22,909.72
Biomass Power & Cogeneration	6,372.35	42.88%	11,563.29
Waste to Energy	9.59	0.06%	4,925.21
Miscellaneous	1,506.74	10.14%	4,293.69
EEC	156.20	1.05%	791.07
Biomass (Briquetting, Gasification and Methanation from Industrial Effluents)	0.01	0.00%	579.13
Total	**14,860.81**	**100.00%**	**341,149.84**

Any adverse events impacting these sectors may lead to an increase in our overall NPA levels, which may affect our business, cash flows and results of operations.

16. We are subject to requirements, including capital adequacy requirements, imposed by the RBI. Any failure to meet these requirements or any change by the RBI in the regulatory regime for Government NBFCs, may adversely affect our business, results of operations and financial condition.

As a non-deposit taking NBFC, we were required to maintain a Capital to Risk-Weighted Assets ratio ("**CRAR**") above 13% as of March 31, 2021 and have been required to maintain a CRAR above 15% since March 31, 2022. Our CRAR was 21.22% as of March 31, 2022, 18.82% as of March 31, 2023 and 20.92% as of September 30, 2023.

If we continue to grow our loan portfolio and asset base, we will be required to raise additional Tier 1 capital to continue to meet applicable capital adequacy ratios. Any equity financing or other Tier 1 financing, if available at all, may be on terms that may not be favourable to us. Further, set forth below are regulatory requirements concerning LCR as per RBI norms applicable to us, as well as our LCR, as of the corresponding dates:

By December 1, 2021		By December 1, 2022		By December 1, 2023	By December 1, 2024
Regulatory requirement	Our LCR[(1)]	Regulatory requirement	Our LCR[(1)]	Regulatory requirement	Regulatory requirement
60%	552.00%	70%	1,194.00%	85%	100.00%

[(1)] For the third quarter of the respective Fiscal.

Our Company continues to follow the exposure norms as of September 30, 2023, as prescribed by RBI and approved by our Board of Directors, in the following manner:

Lending Ceilings	Percentage Permitted Regulatorily
Lending and investing to any single party/borrower	25+5* of Tier I capital
Lending and investing to any single group of parties/borrowers	40+10* of Tier I capital

**As per present RBI guidelines, being an NBFC – IFC the concentration of credit and investment taken together may exceed the stipulations by 5% for any single party/borrower and by 10% for a single parties/group of borrowers. Since RBI grants us the IFC status, the 5% and 10% additional exposure limits are available to us.*

In Fiscal 2021, we had an instance of single exposure exceeding single borrower limits, with an exposure of ₹ 5,125.49 million as of March 31, 2021. In the six months ended September 30, 2023 as well, we had an instance of a single exposure exceeding single borrower limits, with an exposure of ₹ 18,333.33 million, or 29.11% of our

Tier I capital. For further information, see "*Note 62*" in *Financial Statements – Notes to Restated Financial Information*" on page 468. The RBI *vide* a letter dated March 22, 2021 has acceded to our request seeking relaxation from credit concentration norms for two years until March 31, 2023 for exposure of 60% (for the solar and wind sectors) of our net worth. Our request seeking further relaxation from these norms subsequent to March 31, 2023 remains pending as of the date of this Prospectus. In the event such request is not granted in the future, we will be required to restrict our group-level exposure to 50% of our Tier I capital. In addition, we may be exposed to action by the RBI for failure to comply with exposure norms. As of the date of this Prospectus, we cannot ascertain the nature of action that may be taken against us if we fail to comply with such exposure norms. There may be future changes in the regulatory system or in the enforcement of the laws and regulations, including policies or regulations or legal interpretations of existing regulations, affecting interest rates, taxation, inflation or exchange controls that could have an adverse effect on non-deposit taking NBFCs, or which may require us to restructure our activities and incur additional expenses in complying with such laws. In addition, we are required to make various filings with the RBI, the RoC and other relevant authorities pursuant to the provisions of the RBI regulations, Companies Act and other regulations. If we fail to comply with these requirements, or a regulator claims we have not complied with such requirements, we may be subject to penalties or other action. For further information, see "*Key Regulations and Policies*" on page 264.

17. Any increase in contingent liabilities could have a material adverse effect on our business, results of operations and financial condition.

The details of our contingent liabilities that have not been provided for in the relevant periods are as follows:

Particulars	**As of March 31, 2021**	**As of March 31, 2022**	**As of March 31, 2023**	**As of September 30, 2022**	**As of September 30, 2023**
	(in ₹ million)				
a) Claims against the Company not acknowledged as debt					
i) Taxation demands:					
Income Tax cases(1)	2,121.20	2,121.21	2,377.65	2,140.09	2,236.63
Service Tax cases and Goods and Service Tax cases(2)	-	1,999.39	2,149.25	2,074.52	2,376.94
ii) Others	27.47	30.36	34.87	32.46	39.93[3]
b) Guarantees excluding financial guarantees					
i) Guarantees	5,490.00	6,680.38	4,861.14	5,995.14	2,246.53
ii) Letter of comfort/ payment order instrument issued and outstanding	5,001.00	7,857.92	13,665.42	12,151.23	4,096.32
c) Other money for which the Company is contingently liable					
i) Property tax in respect of office building & residential buildings (Refer Note 38(27))	Undeterminable				

Notes:

(1) Income Tax: Income Tax Cases – Assessment Year 1998-1999 – Assessment Year 2009-2010:

This includes income tax cases for Assessment Year 1998-1999 to Assessment Year 2002-2003, which were referred back on the direction of the Hon'ble High Court of Delhi to the Hon'ble ITAT and Hon'ble ITAT to the Assessing Officer and income tax cases for Assessment Year 2003-2004 to Assessment Year 2009-2010 which were referred back on the direction of Hon'ble ITAT to the Assessing Officer. The Assessing Officer had not passed the order on these cases within the statutory time limit prescribed under the Income Tax Act. Earlier, our Company had deposited the taxes under protest on the basis of demand raised for the aforementioned Assessment Years.

In view of the foregoing, the demands paid over and above the tax payable as per returns filed became refundable. Accordingly, during Fiscal 2019, a writ petition has been filed with Hon'ble High Court to issue the necessary directions to the department to grant the refund for the aforementioned years. The Hon'ble High Court at Delhi had passed an interim order as under– "In the meanwhile, the respondents are permitted to proceed and complete the assessment orders and not give effect to it or take any coercive action." The final decision in the matter is still pending.

(2) Service Tax & Goods and Service Tax (GST) case

The Company has received of Notice of Demand/Order from the Commissioner, Adjudication, Central Tax, GST Delhi East vide order no GST-15/Adju/DE/IREDA/71/2017-18/3706-08 dated March 15, 2022 creating demands on IREDA amounting to ₹1,170.91 million (excluding applicable interest) for Fiscal 2013 to Fiscal 2016. Although we contend that the entire demand is barred by limitation, we have provided for ₹121.16 million (as on September 30, 2022, ₹ 113.82 million) including interest on conservative basis. Based on law and facts in the matter, service tax demand (including interest) for the half year ended September 30, 2023 is ₹ 2,224.38 million and September 30, 2022, was ₹ 2,074.52 million (for the year ended March 31, 2023 is ₹2,149.25 million, for the year ended March 31, 2022: ₹1,999.39 million, and for the year ended March 31, 2021: ₹ nil) has been disclosed as contingent liability.

Further, since our Company is a GoI enterprise, no mala fide intention can be attributed to us and thus, extended period of limitation ought not to be invoked based on certain decisions of Hon'ble Supreme Court in such cases and hence the penalty has not been considered for disclosure as a contingent liability. Our Company has filed an appeal with CESTAT, New Delhi on June 15, 2022 in the matter.

Our Company has also received order no. DE/NP/R-174/GST/ADC(NR)/005/2022-23 dated February 28, 2023 from the office of Additional Commissioner, Adjudication, Central Tax, GST Delhi East on recovery of GST on Guarantee Fee Paid to the GoI under reverse charge basis for the period from July 1, 2017 to July 26, 2018 raising a demand of ₹152.51 million towards tax, ₹152.56 million towards penalty and applicable interest thereon. While our Company has filed an appeal against the same before the Commissioner of Central Goods and Service Tax (Appeals – I), New Delhi on June 1, 2023, requisite provision towards the tax and interest thereon amounting to ₹ 276.52 million (as on September 30, 2022: nil) has already been made in the books of accounts and ₹152.56 million (as on September 30, 2022: nil) has been disclosed as contingent liability.

(3) Includes penalty of ₹ 0.26 million (as at September 30, 2022: nil, as at March 31, 2023: ₹ 0.26 million, as at March 31, 2022: nil; as at March 31, 2021: nil) imposed by the Ministry of Corporate Affairs with regard to non-appointment of woman director. Our Company being a GoI company has no control over appointment of directors and hence the same has not been considered for provision. Also includes cases pending before Hon'ble High Court of Delhi in the form of writ petition against the order of disciplinary authority for dismissal of staff from service of our Company. There is no interim order in this matter. Also includes ₹3.51 million pertaining to withheld PRP of ex-functional directors of our Company pending clarification.

For further details of our contingent liabilities as of March 31, 2021, March 31, 2022, March 31, 2023, September 30, 2022 and September 30, 2023, see *"Note 38(3) – Disclosure in respect of Indian Accounting Standard (Ind AS) – 37 "Provisions, Contingent Liabilities and Contingent Assets" in "Financial Information – Notes to Restated Financial Information"* on page 396. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current Fiscal or in the future. In the event that the level of contingent liabilities increases or if any of our contingent liabilities materialize, our liquidity, business, results of operations and financial condition could be adversely affected.

18. Our Company may not be in compliance with certain provisions of the SEBI Listing Regulations.

In accordance with the MCA notification, dated June 5, 2015, the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises and pursuant to our Articles, matters pertaining to the appointment, and remuneration of our Directors and performance evaluation of our Directors are determined by the President of India acting through the Ministry of New and Renewable Energy, Government of India. Further, our Statutory Auditors are appointed by the Comptroller and Auditor General of India. As a CPSE, our Company is governed by the corporate governance guidelines of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises ("**DPE Guidelines**"). In accordance with the DPE Guidelines and as specifically provided under Article 74 of the articles of association of our Company, the directors of our Company are appointed by the GoI and their terms of appointment (including their remuneration) are also approved by the GoI. Accordingly, in so far as the above-mentioned matters are concerned, the terms of reference of our Nomination and Remuneration Committee and Audit Committee only allow these committees to take on record the actions of the President of India or the Comptroller and Auditor General of India, as the case may be. Further, the Nomination and Remuneration Committee neither has the power to formulate any criteria/policy to determine qualifications, positive attributes, independence, or remuneration of the directors nor does it have power to formulate criteria for evaluation of performance of our Directors. To this extent, the terms of reference of the Nomination and Remuneration Committee and the Audit Committee are precluded from being consistent with the role of a nomination and remuneration committee and an audit committee under the SEBI Listing Regulations.

Accordingly, in relation to the above matters, our Company had filed an exemption letter with SEBI dated September 7, 2023 under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations seeking certain exemptions, including from the relevant provisions of the SEBI Listing Regulations. SEBI, *vide* its letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/40948/1 dated October 4, 2023, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company, and from the requirement of making a security deposit in relation to the Offer for Sale, as prescribed under the SEBI ICDR Regulations. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further information, see "*Summary of the Offer Document – Exemption from complying with any provisions of securities laws, if any, granted by SEBI*" on page 33.

19. We are required to comply with SEBI regulations and other statutory requirements in respect of our public and privately placed debt securities, which are listed on the Stock Exchanges.

Our debt securities are listed on the Stock Exchanges. We have entered into the Debt Listing Agreement with the

Stock Exchanges for listing of our public and privately placed debt securities. Accordingly, we are subject to regulations like the SEBI Listing Regulations, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, among others. As per the said regulations as amended from time to time, we are required to make periodic filings and disclosure to the Stock Exchanges.

While we will take adequate measures to comply with the SEBI Listing Regulations and other applicable laws in the future, we cannot assure you that we will be able to immediately comply with all the requirements of the applicable laws and Regulations. Although no action has been taken against us, including any penalties or fines levied on us, by the Stock Exchanges for non-compliance of the provisions of the SEBI Listing Regulations with regard to debt listed companies in the three preceding Fiscals and the six months ended September 30, 2023, there can be no assurance that the Stock Exchanges or SEBI will not take any regulatory action against us for past non-compliance of the provisions of the SEBI Listing Agreement and other applicable laws. The requirement for compliance with such applicable regulations presents risks, particularly in areas where applicable regulations may be subject to varying interpretations. Further, if the interpretations of the regulators and authorities are different, or we may be subject to penalties and our business could be adversely affected. Further, to ensure compliance with the requirements of the SEBI Listing Regulations and other applicable laws, we may need to allocate additional resources, which may increase its regulatory compliance costs and divert management attention. In the instance, any regulatory action is taken against us, this may have an adverse effect on our business, results of operations and financial condition.

20. If our borrowers default on their obligations to us, we may be unable to recall their loans on a timely basis, or at all, or realize the expected value of our collateral and this may have a material adverse effect on our results of operations and financial condition

Although we endeavour to obtain adequate security or implement quasi-security arrangements in connection with our loans, certain loans for project financing, as set forth below, are secured against project assets. In connection with certain of our loans, we may be able to obtain only partial security or have to make disbursements prior to adequate security having been created or perfected. Further, in case of takeover loans, securities are transferred after taking over of the loan. While our loan portfolio is reviewed internally for completion of pending security and follow up action, any security or collateral that we have obtained may not be adequate to cover repayment of our loans or interest payments thereon, and we may not be able to recover the expected value of such security or collateral in a timely manner, or at all.

We seek a first ranking pari-passu charge on the relevant project assets for loans extended on a senior basis. For sole lending, we seek exclusive charge on project assets. In addition, some of our loans may relate to imperfect security packages. The value of certain kinds of assets may decline due to operational risks that are inherent to power sector projects, the nature of the asset secured in our favour and any adverse market or economic conditions. Although some legislation in India provides for various rights of creditors for the effective realization of collateral in the event of default, there can be no assurance that we will be able to enforce such rights in a timely manner, or at all. Further, inadequate security documentation or imperfection in title to security or collateral, requirement of regulatory approvals for enforcement of security or collateral, or fraudulent transfers by borrowers may cause delays in enforcing such securities. In past, we have faced issues pertaining to enforcement of collateral properties, disputes on right of way towards immovable properties in some wind assets, as well as some borrowers making unauthorised diversions of revenue. However, the financial impact of such instances cannot be accurately quantified. Set forth below are details of our secured assets, and amounts recovered through enforcement of collateral, as well as bad debts written off, in the corresponding periods:

Particulars	**As of/ For the Year Ended March 31,**			**As of/ For the Six Months Ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
Secured Term Loans Outstanding (₹ million)	245,934.93	294,558.88	431,210.33	304,289.07	443,823.68
Secured Term Loans Outstanding, as a percentage of total Term Loans Outstanding (%)	88.29%	86.81%	91.60%	90.07%	93.41%
Amounts recovered through enforcement of collateral (₹ million)	87.67	250.05	106.91	31.04	77.13
Amounts recovered through enforcement of	0.58%	2.42%	1.39%	0.35%	1%

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
collateral, as a percentage of opening balances of net NPA (%)					
Bad debt written off, constituting loans that were in default (₹ million)	-	130.20	80.05	-	-
Bad debts written off, as a percentage of total income (%)	0.00%	0.45%	0.23%	-	-

Any debt restructuring in future could lead to an unexpected loss that could adversely affect our business, financial condition or results of operations.

21. Our indebtedness and the restrictive covenants in our borrowing agreements could adversely affect our ability to react to changes in our business environment, and limit our flexibility in managing our business and the growth of our loan portfolio. This may in turn have a material adverse effect on our business, results of operations and financial condition.

As of September 30, 2023, our indebtedness aggregated to ₹ 398,501.93 million. A substantive portion of our funding is obtained through credit facilities and borrowings provided by domestic banks and financial institutions and international financial institutions and issuance of bonds. A high level of indebtedness could:

- require us to dedicate a substantial portion of our cash flows from operations to payments in respect of our indebtedness, thereby reducing the availability of cash flow to fund our working capital requirements, capital expenditures and other general corporate expenditures;
- increase our vulnerability to adverse general economic and industry conditions;
- limit our flexibility in planning for, or reacting to, competition and/or changes in our business or industry;
- limit our ability to borrow additional funds; and
- place us at a competitive disadvantage relative to competitors that have less debt or greater financial resources.

There are restrictive covenants in agreements that we have entered into with our lenders. These restrictive covenants require us to obtain ratings for debt instruments, intimate and/or seek the prior permission of these lenders for various activities, including, among other things, affecting undertaking any merger, amalgamation, change in control of ownership, charge creation, utilizing loans for purposes other than those set out in the financing agreement, and raising further capital. Such financing agreements may also require us to comply with certain covenants and conditions such as maintaining certain financial ratios. Any failure to comply with these covenants in the future may constitute an event of default under the relevant loan agreements. Any or a combination of some or all of these factors may result in a failure to maintain the growth of our loan portfolio.

22. Our Company and our borrowers are required to comply with GoI policies. We may fail to obtain certain regulatory approvals in a timely manner or at all, or to comply with the terms and conditions of our existing regulatory approvals and licenses.

As a 'Government Company', the GoI can influence key decisions about us, including with respect to the appointment and removal of members of our Board. We are required to follow the public policy directives of the GoI by concentrating our financing on specific projects or sectors in the public interest. Our borrowers are significantly impacted by GoI policies and support in a variety of ways. Since governmental entities are responsible for awarding concessions and maintenance contracts and are parties to the development and operation of RE projects, any withdrawal of support or adverse changes in their policies may lead to our financing agreements being restructured or renegotiated.

Our Company may set up a subsidiary in the IFSC Gift City. Having an office in the IFSC Gift City will enable our Company to raise funds in foreign currency and simultaneously extend financing in foreign currency. We are currently in the process of obtaining the requisite approvals from the relevant authorities. While we have received an approval from DIPAM for formation of a wholly owned subsidiary finance company in IFSC Gift City on November 15, 2023, approval from RBI is currently pending. Additionally, we may require certain new regulatory approvals, sanctions, licenses, registrations and permissions for operating and expanding our business in future. While there have been no such instances in the three preceding Fiscals and the six months ended September 30, 2023, we may not receive or be able to renew such approvals in the time frames anticipated by us, or at all, which could adversely affect our business. In addition to the conditions required for the registration as an NBFC with the RBI, we are required to maintain certain statutory and regulatory permits and approvals for our business. In the future, we will be required to renew such permits and approvals and obtain new permits and approvals for any proposed operations in accordance with applicable laws. Failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. For further information, see "*Government and Other Approvals*" on page 586.

23. We operate a 50 MW solar project in Kerala which may be subject to tariff changes by Kerala State Electricity Regulatory Commission ("KSERC"), which, among other factors, may adversely affect the viability of the project. Revenue from the solar project has decreased from ₹ 284.90 million in Fiscal 2022 to ₹ 269.04 million in Fiscal 2023.

We were the developer, and we are now the operator, of a 50 MW Solar Photovoltaic Project in Kasaragod Solar Park in the state of Kerala (the "**Project**"). The project was commissioned in September 2017. We entered into a power sale agreement dated March 31, 2017, with the Kerala State Electricity Board Limited for the Project, which had set the tariff rate at ₹ 4.95 per unit, or the rate approved by the KSERC, whichever is lower. However, the KSERC passed an order dated February 6, 2019, for the tariff to be set at ₹ 3.83 per unit, and, accordingly, the power generation revenue for the Project has been accounted for at this rate since Fiscal 2018 resulting in loss of revenue for our Company due to lowering of the tariff rate. Our Company filed an appeal before the Appellate Tribunal for Electricity ("**APTEL**") against the order passed by KSERC which was subsequently disposed off by APTEL. Subsequently, our Company approached the APTEL with a review petition against its order and also filed an appeal with the Supreme Court. As of the date of this Prospectus, both the review petition before APTEL and the appeal before the Supreme Court remain pending. For further details, see "*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation against our Company – Material Civil Litigation*" on page 576.

Any further downward revision of the tariff rates by the KSERC may adversely affect the financial viability of the Project. There may be variation in solar power generation as well as interruption in operation of the Project for reasons outside our control which may lead to revenue loss. Set forth below are details of revenues generated from the Project:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
Revenue generated from the Project (₹ million)	274.17	284.90	269.04	118.34	139.80
Revenue generated from the Project, as a percentage of total income (%)	1.03%	0.99%	0.77%	0.75%	0.60%

Revenue from the Project has decreased from Fiscal 2022 to Fiscal 2023 owing to decreased power generation at the Project. Generation reduced as a result of factors such as loss of irradiance level at the site, loss of power owing to grid-level loss, the effect of lightning on power lines and significant bird hits on transmission lines. The Project is subject to the risks set forth for projects of a similar nature, as set forth in "*— Projects and schemes for generating electricity and energy through renewable sources like solar, wind, hydro, biomass, waste-to-energy and new and emerging technologies have inherent risks and, to the extent they materialize, could adversely affect our business, results of operations and financial condition"* on page 38.

Further, we have executed an operations and maintenance agreement with a third party for the Project. Any failure by such third party to discharge its obligations under the agreement, or provide adequate quality of services, may adversely affect the revenues we derive from the Project as well as the viability of the Project itself. In the past, on account of delay in commissioning the Project, our Company has imposed liquidated damages on a third party appointed as consultant on the Project. There can be no assurance that the third party will perform its obligations in a timely manner and ensure the continued functioning of the Project.

24. We have concentration of loans in certain states, with 60.72% of Term Loans Outstanding in our top five states as of September 30, 2023. Any economic downturn in those states, natural disasters affecting those states or change in regulations in those states affecting our RE borrowers could lead to increase in defaults by borrowers in those states.

As of September 30, 2023, we had Term Loans Outstanding in 23 States and five Union Territories, of which 60.72% was concentrated in five states as of such date. Set forth below is a table showing the total outstanding loans for projects located in the various States and Union territories where the totals of those loans exceeded 1% of our Term Loans Outstanding, as of September 30, 2023:

State	Number of Projects Financed	Term Loans Outstanding as of September 30, 2023 *(in ₹ million)*	Percentage of Term Loans Outstanding
Rajasthan	17	73,628.39	15.50%
Karnataka	70	65,580.97	13.81%
Andhra Pradesh	39	64,899.19	13.66%
Gujarat	35	46,831.28	9.86%
Maharashtra	45	37,490.51	7.89%
Telangana	29	30,581.11	6.44%
Tamil Nadu	33	27,866.71	5.87%
Madhya Pradesh	13	21,321.63	4.49%
Uttarakhand	22	16,703.28	3.52%
Odisha	11	10,532.70	2.22%
Himachal Pradesh	24	10,397.38	2.19%
Uttar Pradesh	17	9,791.94	2.06%
Punjab	15	9,179.31	1.93%
Sikkim	1	7,442.68	1.57%
Kerala	5	6,105.90	1.29%
Haryana	7	5,065.45	1.07%
Others (1)	10	12,893.47	2.71%

Note:
(1) Others includes projects which are spread across multiple states, and where parts of the project are located across territories such that it is not possible to attribute the project to one state.

Any material economic downturn or any other adverse developments, such as political unrest or a significant natural disaster, in the above States or any change in regulations in the above States adversely affecting our RE borrowers, could lead to increases in defaults by borrowers in those States. For instance, in July 2019, the Andhra Pradesh government had announced its intention to review PPAs signed between the Andhra Pradesh DISCOM and power generators to renegotiate tariffs. For further information, see "*Risk Factors – Certain DISCOMs that purchase electricity from our borrowers and certain states have sought revision in the terms of their existing PPAs*" on page 42. While a stay order was imposed by the High Court of Andhra Pradesh and the matter is pending as of the date of this Prospectus, in the event of an unfavourable judgement, certain loans located in Andhra Pradesh, which we estimate at approximately ₹ 8,867.02 million as of September 30, 2023, may become stressed assets. As a result, we would experience increased delinquency risk from the borrowers with projects concentrated in such States, which could materially and adversely affect our business, financial condition and results of operations.

25. We may face asset-liability mismatches that could adversely affect our cash flows, financial condition and results of operations.

In the past, our funding requirements primarily have been met through a combination of equity investments by the GoI, the issuance of secured and unsecured non-convertible debentures and unsecured and secured long-term loans made available from domestic as well as multilateral and bilateral institutions. As of September 30, 2023, 78.93% of our total borrowings were long-term borrowings (excluding current maturities of long-term borrowings) and 84.36% of our Term Loans Outstanding as of such dates were long-term loans (excluding current maturities of long-term loans). For further details, see "*Selected Statistical Information – Maturity Pattern*" on page 320. In order to address the risk arising out of asset liability mismatch, we match our lending with a similar maturity of borrowing or raise further borrowings to repay the existing borrowing. We have established an Asset Liability Committee for management of liquidity risks and for setting up liquidity risk tolerance and strategy. We undertake a periodical review of assumptions used in liquidity projection and manage unexpected regulatory, statutory and other payments. We also maintain high-quality liquid assets in the form of investment in GoI securities. The following table sets forth our maturity pattern position, and asset-liability mismatch, as of March

31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023, which was the last reporting day in the relevant year/ period.

(in ₹ million)

Maturity Pattern of Assets & Liabilities:					
Items	**As of**	**Less than or equal to 1 year**	**More than a year up to 3 years**	**More than 3 years up to 5 years**	**Over 5 years**
Rupee Loan Assets	March 31, 2021	49,593.53	64,154.97	30,311.31	125,604.55
	March 31, 2022	62,832.38	86,588.86	45,348.33	137,792.98
	March 31, 2023	75,057.64	106,854.28	75,015.42	206,802.21
	September 30, 2022	61,763.06	81,214.50	45,389.13	141,868.62
	September 30, 2023	74,814.36	105,683.59	74,349.69	213,543.06
Foreign currency assets	March 31, 2021	174.07	-	-	-
	March 31, 2022	-	-	-	-
	March 31, 2023	-	-	-	-
	September 30, 2022	-	-	-	-
	September 30, 2023	1,435.80	-	-	-
Rupee borrowings	March 31, 2021	10,230.36	54,583.84	9,193.12	62,875.04
	March 31, 2022	37,868.91	51,889.36	25,189.24	56,895.68
	March 31, 2023	76,502.90	99,032.43	36,924.36	87,888.28
	September 30, 2022	37,093.21	61,919.89	33,495.77	69,988.32
	September 30, 2023	75,860.13	95,938.45	30,987.26	98,888.28
Foreign currency borrowings	March 31, 2021	7,749.32	16,310.20	17,328.95	61,791.64
	March 31, 2022	7,789.35	15,800.60	15,253.18	65,477.19
	March 31, 2023	8,674.42	16,077.47	16,086.34	60,491.05
	September 30, 2022	7,675.69	15,833.19	15,143.12	61,174.71
	September 30, 2023	8,120.68	16,242.01	15,796.85	56,698.15
Asset liability mismatch	March 31, 2021	31,787.92	(6,739.07)	3,789.24	937.88
	March 31, 2022	17,174.12	18,898.90	4,905.91	15,420.11
	March 31, 2023	(10,119.68)	(8,255.62)	22,004.72	58,422.89
	September 30, 2022	16,994.16	3,461.42	(3,249.76)	10,705.59
	September 30, 2023	(7,730.65)	(6,496.87)	27,565.58	57,956.63

For further information, see "*Financial Information – Note 62 (E) - Asset Liability Management Maturity pattern of certain items of Assets and Liabilities*" on page 471.

If we are unable to effectively manage our funding requirement and the financing we provide, which may be aggravated if our borrowers are unable to repay any of the financing facilities we grant to them or if we are unable to obtain additional credit facilities in a timely and cost effective manner, or at all, we may have mismatches in our assets and liabilities, which in turn may adversely affect our liquidity, results of operations and financial condition.

26. We operate in a highly competitive environment and increased competition in lending to the RE sector, including to new and emerging technologies, could have a material adverse effect on our business, results of operations and financial condition.

The financial and banking sector in India is highly competitive and we compete with a number of public sector finance companies, public sector banks, private banks (including foreign banks), financial institutions and other NBFCs. Competition in our industry depends on, among other factors, the ongoing evolution of GoI policies relating to the industry, the entry of new participants into the industry and the extent to which there is consolidation among banks, financial institutions and NBFCs in India. Many of our competitors may have larger resources or balance sheet sizes than us and may have considerable financing resources. In addition, since we are a non-deposit accepting NBFC, we may have restricted access to funds in comparison to banks and deposit-taking NBFCs as they may have wider access to funds, including through deposits. Our ability to compete effectively is dependent on our ability to maintain a low effective cost of funds. With the growth of our business, we are dependent on funding from the equity and debt markets and commercial borrowings. If we are unable to access funds at an effective cost that is comparable to or lower than our competitors, we may not be able to offer competitive interest rates for our loans to RE projects. This is a significant challenge for us, as there are limits to the extent to which higher costs of funds can be passed on to borrowers, thus potentially affecting our net interest income. In addition, competition in the RE sector may become more intense due to increased interest in the sector among domestic and international banks and finance companies, and we may incur additional expenses relating to customer acquisition and retention, further reducing our operating margins.

27. Our Company is subject to certain statutory proceedings under the Prevention of Money Laundering Act, 2002. Any adverse outcome of such proceedings in the future may have an adverse impact on the recovery of certain loans extended by our Company.

Our Company is involved in two proceedings under the Prevention of Money Laundering Act, 2002 ("**PMLA**") which are currently ongoing. An appeal has been filed by the Deputy Director, Enforcement Directorate ("**ED, Delhi**") before the Appellate Tribunal of Prevention of Money Laundering, Delhi ("**PMLAT**") ("**Appeal**"), against Chanda Kochhar, and certain other parties including our Company, against the order dated November 6, 2020 passed by the adjudicating authority under PMLA, wherein the validity of loans provided to certain companies in the Videocon group was upheld and further the provisional attachment order dated January 10, 2020 issued by ED, Delhi ("**ED Order**") was dismissed. Our Company has been made a party to this litigation on account of the loan extended to M/s Echanda Urja Private Limited ("**EUPL**"), co-defendant in the Appeal, amounting to ₹ 957.76 million as per the supplementary deed of accession to the Facility Agreement dated December 27, 2017 ("**Loan**"). The Loan was further secured by way of creation of charge on certain properties of EUPL, which, ED, Delhi, has sought to attach through the ED Order, in connection with certain independent money laundering transactions which do not involve our Company. The amount outstanding in relation to the Loan as on September 30, 2023, is ₹ 640.09 million.

Separately, our Company is involved in another matter under PMLA, wherein an appeal has been filed by our Company before the PMLAT against the provisional attachment order dated December 23, 2020, passed by the Deputy Director, Directorate of Enforcement, Mumbai ("**ED, Mumbai**"), which has been further upheld by the adjudicating authority under PMLA vide order dated December 13, 2021, directing the provisional attachment of certain properties that were charged under loans extended by our Company to Gangakhed Sugar and Energy Limited ("**GSEL**"). Our Company is a party to the litigation to the extent of the loan granted to GSEL. Pursuant to the loan agreement dated August 29, 2011, our Company extended a loan of ₹1,000.00 million to GSEL. The provisional attachment order has been sought by the ED, Mumbai in connection with certain independent money laundering transactions which do not involve our Company. Further, through order dated February 17, 2023, the resolution plan in relation to the corporate insolvency resolution process of GSEL was admitted by the National Company Law Tribunal, Mumbai ("**Resolution Plan**") pursuant to which our Company is expected to receive payments amounting to ₹399.00 million. As on September 30, 2023, our Company has received ₹64.60 million under the Resolution Plan.

Our Company's contention in both these matters is limited to seeking non-attachment of the properties that were charged in our favour to secure the loans taken by the borrowers in the aforementioned matters and accordingly there is no monetary compensation claimed from or by our Company. We cannot assure the outcome of these proceedings. In the event, the aforesaid proceedings are decided against our Company there may be an adverse impact on the recovery of the loans granted to the borrowers as the security given to us by way of creation of charge on various properties will be attached under the provisions of the PMLA.

For further details of the statutory proceedings please see "*Outstanding Litigation and Material Developments*" chapter at page 573.

28. There are outstanding litigations involving our Company and any adverse outcome in any of these litigations may have an adverse impact on our business, results of operations and financial condition.

Certain legal proceedings involving our Company are pending at different levels of adjudication before various courts, tribunals and authorities. In the event of any adverse ruling in these proceedings or consequent levy of penalties, we may need to make payments or make provisions for future payments, which may increase expenses and current or contingent liabilities.

A summary of outstanding litigation proceedings involving our Company as disclosed in "*Outstanding Litigation and Material Developments*" on page 573 in terms of the SEBI ICDR Regulations as of the date of this Prospectus is provided below:

Name of Entity	Criminal Proceedings (*No. of cases*)	Tax Proceedings (*No. of cases*)	Statutory or Regulatory Proceedings (*No. of cases*)	Disciplinary actions by the SEBI or Stock Exchanges against our Promoter (*No. of cases*)	Material Civil Litigations (*No. of cases*)	Aggregate amount involved (*₹ in million) (to the extent quantifiable)*
Company						
By our Company	395	15	Nil	Nil	39	40,761.73*
Against our Company	35	Nil	4#	Nil	6	841.13**
Directors						
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil

* *The aggregate amount includes 395 ongoing criminal proceedings initiated by the Company amounting to ₹6,284.45 million, 15 ongoing tax proceedings initiated by the Company amounting to ₹4,127.17 million (excluding interest) and 39 ongoing material civil litigations initiated by the Company amounting to ₹30,350.11 million.*

** *The aggregate amount includes 35 ongoing criminal proceedings initiated against the Company amounting to ₹840.87 million, and 4 ongoing statutory/ regulatory proceedings initiated against our Company amounting to ₹0.26 million. The 6 ongoing material civil litigations initiated against our Company do not include any monetary compensation claimed by the petitioners and accordingly do not form part of the aggregate amount disclosed.*

There are proceedings filed against the Company and certain other parties by the Enforcement Directorate (ED), under the Prevention of Money Laundering Act, 2002. These proceedings do not have any monetary compensation claimed. For further details of the matters and other statutory and regulatory proceedings ongoing against the Company, please see "Risk Factors" on page 34 and "Outstanding Litigation and Material Developments – Actions taken by Regulatory and Statutory Authorities" on page 574.

29. Our borrowers that relied upon Renewable Energy Certificates ("RECs") as part of their project cash flow and financial models may experience financial and cash flow issues as the market for RECs has not been realized as originally expected.

Under Section 86(1) (e) of the Electricity Act 2003 and the National Tariff Policy 2006, Renewable Purchase Obligation is a mechanism by which the obligated entities are obliged to purchase certain percentage of electricity from renewable energy sources, as a percentage of the total consumption of electricity, or buy, in lieu of that, RECs from the market. (*Source: CARE Report*) RECs are issued to eligible RE generators, distribution licensee, open access consumers and captive generating stations based on RE, and have provided an extra avenue for sale of renewable energy. (*Source: CARE Report*).

The Central Electricity Regulatory Commission has taken a position that it does not have the jurisdiction to enforce RPOs in the relevant states and that the responsibility of setting RPO targets and implementation rests with the State Electricity Regulatory Commissions ("**SERCs**"). However, some of the SERCs have not enforced RPOs and the market for RECs has not matured as originally expected when the legislation was adopted. (*Source: CARE Report*) As a result, some of our borrowers that relied upon RECs as part of their project cash flow and financial models may experience cash flow shortfalls and other financial issues which in turn could increase our NPAs and adversely affect our business, results of operations and financial condition. While revenue from REC sales has increased following the order of the Appellate Tribunal for Electricity to resume REC trading from November 24, 2021 after a ban on REC trading since July 2020, (*Source: CARE Report*) there can be no assurance that there will be sustained demand for, or trading in RECs. To safeguard against the uncertainty around RECs, no REC cashflows are considered in our base case analysis while determining project funding. However, our borrowers may be adversely affected overall if they are unable to benefit from RECs, which will in turn affect their ability to repay us.

30. The COVID-19 has had, and a similar pandemic could have, certain adverse effects on our business, operations, cash flows and financial condition.

The COVID-19 pandemic caused substantial disruption to the global economy and supply chains, creating significant volatility and disruption in financial markets, including India. The RBI issued guidelines as part of a COVID-19 regulatory package dated March 27, 2020, April 17, 2020 and May 23, 2020. In Fiscal 2021, the MNRE directed all RE implementing agencies of the MNRE to treat the lockdown due to COVID-19, as force majeure, and provided that these agencies could grant extensions of time for RE projects equivalent to the period of lockdown and additional 30 days for normalization after the end of the lockdown. Further, pursuant to MNRE notifications, as issued from time to time, time extensions were granted to RE project developers, and no coercive action could be taken for recovery in such periods where extensions were granted. In terms of these guidelines, we granted a moratorium of up to six months on the payment of all instalments and/ or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers, in accordance with the schemes approved by our Board in line with RBI guidelines issued from time to time for COVID-19, amounting to ₹ 161,696.14 million. After the end of the moratorium periods, there has been considerable increase in recovery, which has been consistent up to September 30, 2023. Pursuant to the GoI's 'Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for nine months to borrowers in specified loan accounts (March 1, 2020 to August 31, 2020)' and the Supreme Court of India's judgment in Small Scale Industrial Manufactures Association (Regd.) vs Union of India and others dated March 23, 2021, we were required to refund / ensure adjustment of the interest on interest charged on borrowers during the moratorium period March 1, 2020 to August 31, 2020, which amounted to ₹ 25.00 million, which was fully released during Fiscal 2022. No subsequent provision was made for COVID-19. Future events such as the COVID-19 pandemic may adversely affect overall business sentiment, as well as our business, results of operations and financial condition.

31. If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition and results of operations.

Our risk management processes include a detailed appraisal methodology, identification of risks and suitable structuring of risk mitigation measures. We have policies and procedures in place to identify, manage and control the various risks to which we are exposed, which include our risk management policy, investment policy, foreign exchange and derivatives risk management policy, asset liability management policy, credit rate review system, whistle blower and vigilance mechanism, fair practices code, grievance redressal policy, policies on corporate governance, IT policies and procedures, and KYC and anti-money laundering policy, among others. Our Board of Directors, Risk Management Committee, the Asset Liability Committee review our risk management policies from time to time. For further information, see *"Our Business – Risk Management"* on page 254. Despite our risk management processes, we may be exposed to unidentified or unanticipated risks, which could lead to material losses and adversely affect our business. Some of our methods of managing risks are based upon the use of observed historical market behaviour. As a result, these methods may not be able to predict future risk exposures, which could be significantly greater than those indicated by the historical measures. Other risk management methods depend upon an evaluation of information regarding markets, clients or other matters. This information may not in all cases be accurate, complete, up-to-date or properly evaluated. While there have been no material risk management failures in the three preceding Fiscals and the six months ended September 30, 2023, to the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. If we fail to effectively implement our risk management policies, it could materially and adversely affect our business, financial condition, results of operations and cash flows.

32. We are exposed to fluctuations in foreign exchange rates, which in turn could adversely affect our results of operation and financial condition.

Set forth below are details of our foreign currency borrowings from various financial institutions and agencies, including amounts hedged, as well as net gain/ loss on foreign exchange transactions, as of the relevant periods:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
Foreign currency borrowings (₹ million)	103,180.11	104,320.31	101,329.27	99,826.70	96,857.68
Foreign currency borrowings, as a percentage of total borrowings (%)	42.99%	37.78%	25.23%	33.02%	24.31%
Foreign currency borrowings hedged, as a percentage of total foreign currency borrowings (%)	77.20%	81.40%	81.38%	83.66%	73.71%
Net (gain)/ loss on foreign exchange transactions (₹ million)	698.47	458.90	240.26	45.07	(300.49)

For further information on our outstanding foreign currency borrowings as of September 30, 2023, see "*Our Business – Our Sources of Funding - International Borrowings from international banks and financial institutions*" on page 251. While we have reduced our exposure to foreign currency borrowings from 42.99% as of March 31, 2021 to 24.31% as of September 30, 2023, we rely on such borrowings owing to their longer tenure of 12 years to 40 years. In addition, we have also availed of certain foreign currency borrowings at fixed rates of interest to protect ourselves against an increasing interest rate environment. We may need additional foreign currency borrowings in the future. We are therefore affected by adverse movements in foreign exchange rates. In the past, the Indian Rupee has seen adverse movement against the US dollar, Euro and Japanese Yen. If the Indian Rupee depreciates against the currencies in which we borrow, it will result in a higher outflow in relation to the foreign currency denominated loan. Although we have hedged our foreign currency loan in accordance with our foreign exchange and derivatives risk management policy, our hedges may not cover sufficiently, or at all, an increase in foreign currency loans resulting from the depreciation of the rupee against such currencies to the extent of open exposures. Volatility in foreign exchange rates could adversely affect our results of operations and financial condition.

We currently hold, and have in the past held, forward contracts, derivative contracts, including currency swaps and principal only swaps. These measures are intended to have the effect of reducing the volatility of our profit and reducing our exposure to foreign exchange and interest rate risk. If, in the future, foreign exchange rates or interest rates move contrary to our expectations, or if our risk management procedures prove to be inadequate, we could incur derivative-related or other charges and opportunity losses independent of the relative strength of our business, which could affect our results of operations and financial condition.

33. The success of our business depends on our ability to attract and retain our senior management and high-quality employees, and the loss of their services could have a material adverse effect on our business, results of operations and financial condition.

The success of our business to a large extent depends on the continued service of our senior management and various professionals and specialists, including information technology specialists, techno-commercial professionals, finance professionals, legal professionals and risk management specialists. Our senior and middle management personnel have significant experience and in-depth industry knowledge and expertise. As a result of ever-increasing market competition in the financial sector, the market demand and competition for experienced management personnel and finance professionals and specialists has intensified. Our business and financial condition could suffer if we are unable to retain our senior management, or other high-quality personnel, or cannot adequately and timely replace them upon their departure. In Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, our attrition rate, excluding superannuation, was nil, nil, 1.26%, 0.64% and 2.40%, respectively. We may also have certain vacant management positions, which we are not able to fill in a timely manner, owing to such decisions requiring GoI intervention.

Moreover, we may be required to increase substantially the number of our professionals and specialists in connection with any future growth plans, and we may face difficulties in doing so due to the competition for such personnel. Our failure to retain or replace competent personnel could materially impair our ability to implement any plan for growth and expansion. Competition for quality employees among finance companies and other business institutions may also necessitate increases in compensation and commissions, which would increase operating costs and reduce our profitability. As a GoI owned company, however, we may face difficulty in raising compensation in line with private industry employee expectations.

34. We offer innovative financing schemes to adapt to evolving business needs, some of which require us to rely on projections regarding prospective income. There can be no assurance that we will be able to recover amounts due to us under such arrangements if our borrowers are unable to generate adequate revenues.

We offer products such as loans against the future cash flow of commissioned projects, financing schemes for setting up ethanol distilleries, bridge loans and lines of credit for on-lending, among others. Financing schemes such as these are not directly secured by immoveable property, as with our term loans. For schemes such as loan against future cash flow of commissioned projects, we rely on future income from the projects. Accordingly, there may be higher risk of recovery from such projects, since we may not have readily available collateral to enforce, in the event of non-repayment. As we continue to provide financing through more innovative mechanisms, we may be exposed to higher risks of non-recovery.

35. The escrow account mechanism and the trust and retention account arrangements implemented by us as a quasi-security mechanism in connection with payment obligations of our borrowers may not be effective, which could adversely affect our results of operations and financial condition.

In relation to our term loans, we take security by way of a mortgage on project land and buildings and hypothecation of project assets including plant and machinery. In addition, we often take additional security such as collateral, pledge of shares, personal guarantees and corporate guarantees as per requirements.

We also use trust and retention account arrangements to provide us with payment security. The trust and retention account arrangements are effective in the event that revenue from the end users or other receipts, as applicable, is received by our borrowers and deposited in the relevant escrow accounts or trust and retention accounts. There may be instances of non-enforcement of trust and retention accounts by bankers, resulting in default in payments by the borrower. Although we monitor the flow into the trust and retention accounts, in certain instances we may not have any arrangement in place to ensure that such revenue is received or deposited in such accounts and the effectiveness of the trust and retention account arrangements is limited to that extent. While we usually obtain a commitment from off-takers that the revenue from the projects will be deposited in the trust and retention account or escrow account only, there may be instances of failure of this mechanism. If end users do not make payments to our borrowers, the trust and retention account arrangements will not be effective in ensuring the timely repayment of our loans, which may adversely affect our results of operations and financial condition. In addition, as we diversify our loan portfolio and enter new business opportunities, we may not be able to implement such or similar quasi- security mechanisms or arrangements and there can be no assurance that even if such mechanisms and arrangements are implemented, they will be effective.

36. We have granted loans to private sector borrowers on a non-recourse or limited recourse basis, which increases the risk of non-recovery and may adversely affect our financial condition.

As of September 30, 2023, our Term Loans Outstanding amounted to ₹ 475,144.83 million, of which 76.99% comprised loans to private sector borrowers. Under the terms of our loans to our private borrowers, our loans are secured by project assets, and in certain cases, we also obtain additional security such as collateral, pledge of shares, personal guarantees and corporate guarantees. The ability of our borrowers to perform their obligations under our loans will depend primarily on the financial condition and results of the relevant projects, which may be affected by many factors beyond the borrowers' control, including competition, operating costs, regulatory issues and other risks. If borrowers with non-recourse or limited recourse loans were to be adversely affected by these or other factors and were unable to meet their obligations, the value of the underlying assets available to repay the loans may become insufficient to pay the full principal and interest on the loans, which could expose us to significant losses. In Fiscal 2021, 2022, 2023 and the six months ended September 30, 2023, there were 11, two, four and one instance of slippage of accounts into NPA category, amounting to ₹ 5,307.42 million, ₹ 326.97 million, ₹ 78.92 million and ₹ 443.38 million, respectively. Further, in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, we have recovered ₹ 3,422.45 million, ₹ 4,671.12 million, ₹ 2,024.34 million and ₹ 644.33 million and ₹ 498.43 million respectively, from NPA accounts, representing a recovery rate of 14.42%, 19.13%, 11.45%, 3.64% and 3.29% on the balance of Gross NPA at the beginning of the corresponding periods, respectively. However, of the slippages during the three preceding Fiscals and the six months ended September 30, 2023, 11 cases, amounting to ₹ 4,461.11 million as of September 30, 2023, have been successfully resolved and 100% recovery has been completed in each case. Further, in connection with solar and wind projects in the state of Andhra Pradesh, tariff limitations were introduced, which resulted in proportionately lower recovery from projects in the state of Andhra Pradesh. There may be instances of failure to recover dues with limited recourse, owing to natural calamities or other *force majeure* events beyond the control of borrowers.

37. If we are unable to manage our growth effectively, our business, results of operations and financial condition could be adversely affected.

Set forth below are details of our profits and Term Loans Outstanding in the relevant periods:

Particulars	As of/ For the Year Ended March 31,			CAGR (Fiscal 2021 – Fiscal 2023) (%)	As of/ For the Six Months Ended September 30,	
	2021	2022	2023		2022	2023
Profit before tax (₹ million)	5,695.16	8,338.40	11,392.49	41.43%	6,161.67	8,194.34
Profit after tax (₹ million)	3,463.81	6,335.28	8,646.28	57.99%	4,102.66	5,793.15
Term Loans Outstanding (₹ million)	278,539.21	339,306.06	470,755.21	30.00%	337,833.59	475,144.83

Our business growth could place significant demands on our operational, credit, financial and other internal risk controls. Rapid growth could expose us to increased business risks, such as the possibility that some of our loans may become impaired faster than anticipated, as well as operational risks, fraud risks and regulatory and legal risks. Our growth may also exert pressure on our capital adequacy, making management of asset quality increasingly important. Our growth also increases the challenges involved in preserving and improving our internal administrative, technological and physical infrastructure.

Although we started our operations in 1987, our Term Loans Outstanding have been increasing, showing a CAGR of 30.00% over the last three Fiscals. Accordingly, a part of our loan portfolio is relatively new and unseasoned, with 82.25% of our Term Loans Outstanding as of September 30, 2023 having been disbursed after April 1, 2020. The disbursements made by us post April 1, 2020, include disbursements towards commissioned projects which have been taken over and disbursed towards loans facilities to State Utilities. We intend to grow our loan portfolio, income and profits by providing loans at competitive rates, entering into consortium and/or co-financing with other lenders for financing large size RE projects, diversifying our customer and financial portfolio and maintaining strong asset quality through continued focus on risk management, among others. Further, to boost our equity base and net worth, the Government of India infused an additional capital of ₹ 15,000.00 million on March 28, 2022 into our Company by way of a rights issue that was completed on March 31, 2022, to enable us to pursue additional lending opportunities in the RE sector. Similarly, as part of our lending operations, we have entered into and may continue to enter into co-origination agreements with banks and financial institutions. There can be no assurance that such arrangements will be successful, or that disputes will not arise in connection with such agreements.

We cannot assure you that we will be able to sustain our growth or that we will be able to further expand our loan portfolio. As we grow and diversify, there may be challenges in effectively implementing and managing our strategy in a timely manner or at all, which could adversely affect our business, results of operations and financial condition. We may not have sufficient capital to support our business growth, which is critical to sector development.

38. Our borrowers' insurance of assets may not be adequate to protect them against all potential losses to which they may be subject to, which could affect our ability to recover the loan amounts due to us.

Under our loan agreements, where loans are extended on the basis of charge on assets, our borrowers are required to create a charge on their assets in our favour in the form of a hypothecation, a mortgage or both. In addition, the terms and conditions of the loan agreements require our borrowers to maintain insurance against damage caused by any disasters including floods, fires and earthquakes or theft on their charged assets against the loan granted by us. As of September 30, 2023, 99.96% of our Term Loans Outstanding were insured. In cases of projects which are under stress and are not able to obtain insurance renewal owing to financial stress or associated reasons, we attempt to avail insurance ourselves, where feasible. However, in certain cases, our borrowers may not have the required insurance coverage, they have not renewed the insurance policies or the amount of insurance coverage may be less than the replacement costs of all covered property and is therefore insufficient to cover all financial losses that our borrowers may suffer. In the event the assets charged in our favour are damaged due to reasons, including among others, floods, fires and earthquakes, it may affect our ability to recover the loan amounts due to us.

39. A sanctioned loan may not be disbursed in full, but if we are called upon to disburse more of our sanctioned loans in a given period than we had projected, we may have to borrow more funds under cash credit/overdraft facilities, which may subject us to a higher interest rate expense than our long-term sources of funding.

A sanctioned loan may not be disbursed in full due to many factors such as non-compliance with the conditions precedent by the borrower and the borrower decide not to avail the loan from us or decide to borrow a lesser sum than the actual sanctioned amount. In addition, due to the long gestation period of some of the projects that we finance, it may take three to four years before the entire sanctioned loan amount for a project gets disbursed. Set forth below are details of our loans sanctioned and loans disbursed in the corresponding periods:

Particulars	**As of/ For the Year Ended March 31,**			**As of/ For the Six Months Ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
Loans Sanctioned (₹ million)	110,013.05	239,210.62	325,866.06	117,654.02	47,445.03
Loans Disbursed[(1)] (₹ million)	88,283.53	160,708.22	216,392.12	40,063.06	62,732.52
Loans Disbursed, as a percentage of loans sanctioned (%)	80.25%	67.18%	66.41%	34.05%	132.22%

Note:
(1) Includes loans which are disbursed during the year/ period but which may have been sanctioned in previous years/ periods.

In order to decrease our borrowing costs, we endeavour to match our anticipated borrowing requirements for a given period with the expected amount required for disbursal in such period. We also revise interest rates and rationalise our lending rate periodically if there is adverse increase in our borrowing rate. However, if we are called upon to disburse more of our sanctioned loans in a given period than we had anticipated, we may have to utilize these cash credit/overdraft facilities, which typically subject us to a higher interest expense than our long-term sources of funding. As a result, our results of operation and financial condition and results of operations may be adversely affected.

40. Any non-compliance under the Companies Act, 2013 may subject us to regulatory actions and penalties and our business, financial condition and reputation may be adversely affected.

The second provision to Section 149(1) of the Companies Act read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 requires every public company having a paid-up share capital of ₹ 1,000 million or more or turnover of ₹ 3,000 million or more to have at least one woman director. In the past, our Company had received show cause notices along with imposition of penalty for Fiscal 2023, vide order dated September 30, 2022, amounting to ₹ 0.26 million by the Adjudicating Officer, the Ministry of Corporate Affairs for the non-appointment of a woman director as stipulated under Section 149(1) of the Companies Act, 2013 punishable under Section 172 of the Companies Act, 2013 ("**Penalty Order**"). Our Company has also filed an appeal dated October 14, 2022 before the Regional Director, the Ministry of Corporate Affairs against the Penalty Order. Hearings in the matter are ongoing and the appeal against the Penalty Order remains pending as of the date of this Prospectus. Being a Government company, the appointment of directors vests with the President of India in accordance with the articles of association of the Company also the appointment directors is governed by the Corporate Governance Guidelines issued by DPE and is subject to the discretion of GoI. In accordance with the Corporate Governance Guidelines issued by DPE and as specifically provided under the AoA of the Company, all our directors are appointed by the President of India and this is subject to an inter-ministerial process. Further, the terms of appointment of all Directors (including their remuneration) is also approved by the President of India. Hence, the appointment of Directors is neither under the purview of our board of directors nor is our Company empowered to appoint any Directors. Our Company has appointed a woman director, Rohini Rawat, on the Board since March 9, 2023. Since then, we have been in compliance with the provision of the Companies Act, 2013. However, since the appointment of directors is governed by the Corporate Governance Guidelines issued by DPE and is subject to the discretion of GOI, we cannot assure you whether the ROC or any other authority will impose penalties on us on account of such non-compliance.

41. As a financial institution focused on financing of RE and energy efficiency, we have received certain grants and tax benefits and our borrowers may have received certain tax benefits, subsidies and incentives in the past. We cannot assure you that such grants, benefits, subsidies and incentives will be available to us and/or our borrowers in the future, which may have an adverse effect on our business, profits, results of operations and financial condition.

We provide finance towards promotion and development of renewable sources of energy and have benefited from certain tax regulations and incentives that accord favourable treatment towards such sector. Further, our Company is also eligible for certain tax benefits and incentives as a 'Public Financial Institution'. Certain tax benefits include the creation of a special reserve under Section 36(1)(viii) of the Income Tax Act and provision for bad and doubtful debts under Section 36(1)(viia)(c) of the Income Tax Act. As a consequence, our operations have been subject to relatively low tax liabilities. We cannot assure you that we would continue to be eligible for such lower taxes or any other benefits. If the laws or regulations regarding the tax benefits applicable to us or the energy sector as a whole were to change, our taxable income and tax liability may increase to that extent, which would adversely affect our financial results. Additionally, if such tax benefits were not available or significantly reduced, RE projects could be considered less attractive which could negatively affect the sector and have an adverse effect on our business, results of operations and financial condition. We also receive capital subsidies and interest subsidies for releasing to borrowers on a quarterly basis for implementing certain MNRE programmes, subject to compliance with terms and conditions of sanctions by such borrowers, as set forth below:

Particulars	**As of/ For the Year Ended March 31,**			**As of/ For the Six Months Ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
	(₹ million)				
Interest subsidy received	21.68	21.68	21.68	21.68	21.68

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
	(₹ million)				
earlier and outstanding on net present value basis					
Interest subsidy received earlier and outstanding on actual basis	(2.16)	(2.18)	(2.18)	(2.16)	(2.16)
Capital subsidy received and passed on to borrowers	127.50	387.14	359.48	359.48	-

For further information, see "*Restated Financial Information - Note 34 – Subsidy/ Incentive received from MNRE and handled on their behalf*" in *"Financial Information –Notes to Restated Financial Information*" on page 431. If the central government or the state government policies are not favourable for RE business, our business will be adversely affected. Furthermore, if the laws or regulations regarding the incentives applicable to the RE sector as a whole were to change, the cost of operation of the projects funded by us may increase to that extent, which may have an adverse effect on our financial results.

42. Certain properties used by our Company for the purposes of our operations are leased by our Company. These title deeds are not in our Company's name. Any termination of the contractual agreements in connection with such properties or our failure to renew the same could adversely affect our business, results of operations and financial condition.

Currently, several properties used by us for the purposes of our operations, including the property where our Registered Office and Corporate Office are situated, are leased to us. However, the title deed in respect of these properties are not in our Company's name, although the allotment is in our Company's name. For further details, see *"Our Business – Property"* on page 261. Any termination of the contractual agreements in connection with such properties which are not registered in our name or our failure to obtain registration in a timely manner, or at all, could adversely affect our business, results of operations and financial condition.

Our Company is also in the process of identifying properties in Bengaluru and Guwahati for entering into leases and setting up operations through a physical office. As of the date of this Prospectus, there is no certainty regarding whether property for these offices will be purchased or obtained on rent. Further, as of the date of this Prospectus, the properties at Hyderabad, Bhubaneshwar and Mumbai are held on a rental basis. Properties that are used on a rental basis are subject to risks pertaining to non-renewal, challenges to the underlying ownership of property, and non-registration of such agreements. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of our operations and business.

43. We may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis.

We are required to comply with applicable anti-money-laundering ("**AML**") and anti-terrorism laws and other regulations in India. In the ordinary course of our operations, we run the risk of failing to comply with the prescribed Know Your Customer ("**KYC**") procedures and the consequent risk of fraud and money laundering by dishonest customers and assessment of penalties and/or imposition of sanctions against us for such compliance failures despite having implemented systems and controls designed to prevent the occurrence of these risks. Our AML and KYC policies are in accordance with RBI guidelines.

Although we believe that we have adequate internal policies, processes and controls in place to prevent and detect any AML activity and ensure KYC compliance, there can be no assurance that we will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties by the relevant government agencies to whom we report. We have not experienced any material instances of money laundering or similar illegal activities in the three preceding Fiscals and the six months ended September 30, 2023. Our business and reputation could suffer if any such parties use or attempt to use our business for money-laundering or illegal or improper purposes and such attempts are not detected or reported to the appropriate authorities in compliance with applicable legal requirements. Incidents described above or any similar incidents in the future may materially and adversely affect our business and/or reputation.

44. Weaknesses, disruptions, failures or cybersecurity events in our IT systems could adversely impact our business.

We may be subject to disruptions of our IT systems, arising from events that are wholly or partially beyond our control (including, for example, damage or incapacitation by human error, natural disasters, electrical or telecommunication outages, sabotage, computer viruses, or loss of support services from third parties such as internet backbone providers). In the event we experience systems interruptions, errors or downtime, this may give rise to deterioration in customer service and loss or liability to us. Further, we are dependent on various external vendors for certain elements of our operations and are exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to us (or will be subject to the same risk of operational errors by their respective employees) and the risk that their (or their vendors) business continuity and data security systems prove to be inadequate. For instance, we are implementing an Enterprise Resource Planning System for our operations. The implementation of this system was delayed in light of the COVID-19 pandemic and unavailability of the relevant personnel for deploying the system. If our external vendors or service providers fail to perform their functions, it could materially and adversely affect our business and results of operations.

We rely on the security of such platforms for the secure processing, storage and transmission of confidential information. Examples of significant cybersecurity events are unauthorized access, computer viruses, deceptive communications (phishing), ransom ware, malware or other malicious code or cyber-attack, catastrophic events, system failures and disruptions and other events that could have security consequences. These events could materially impact our ability to adequately manage and value our loan portfolio, provide efficient and secure services to our clients, and regulators, and to timely and accurately report our financial results. Although we have implemented controls and have taken protective measures to reduce the risk of such events, we cannot reasonably anticipate or prevent rapidly evolving types of cyber-attacks and such measures may be insufficient. While we have not experienced any instance in the three preceding Fiscals and the six months ended September 30, 2023, cybersecurity breaches could expose us to a risk of loss or misuse of our information, litigation, reputational damage, violations of applicable privacy and other laws, fines, penalties or losses that are either not insured against or not fully covered by insurance maintained. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities.

45. Our business may be subject to negative publicity, which could have a material adverse effect on our business, results of operations and financial condition.

Our business is, to a large extent, reliant on the strength of our brand and our reputation as a provider of financial assistance for projects relating to new and renewable sources of energy, other clean energy technologies, as well as energy efficiency and conservation. The high media scrutiny and public attention that the RE and financial services sectors are subjected to, in addition with increasing consumer activism in India, increases the risk of negative publicity and damage to our brand if we are presented in a negative light. Litigation, employee misconduct, operational failures, regulatory investigations, press speculation and negative publicity, amongst others relating to us, whether founded or unfounded, could damage our brand or our reputation. Negative publicity could be based, for instance, on allegations that we have failed to comply with regulatory requirements or result from failure in business continuity or performance of our information technology systems, loss of customer data or confidential information, or unsatisfactory service and support levels.

While we have not experienced any specific instances of negative publicity in the three preceding Fiscals and the six months ended September 30, 2023, any damage to our brand or our reputation could hamper the trust placed in the brand and cause existing customers, intermediaries, financial partners or investors to withdraw their business or to reconsider doing business with us. Furthermore, negative publicity may result in increased regulation and legislative scrutiny of industry practices as well as increased litigation, which may further increase our costs of doing business and adversely affect our profitability. Negative publicity may also influence market or rating agencies' perception of us, which could make it more difficult for us to maintain our credit rating. Therefore, any damage to our brand or our reputation could have a material adverse effect on our business, results of operations and financial condition.

***46. RE projects are seasonal and prone to vagaries of nature. Accordingly, our business may be subject to seasonal fluctuations in operating results and cash flows*.**

RE projects, by their nature, are subject to seasonal performance. Generally, these RE projects witness peak seasons and lean seasons. As a result of these factors, our business may be subject to fluctuations in operating results and cash flows during any quarter or interim financial period, and consequently, such results cannot be used as an indication of our annual results, and they cannot be relied upon as an indicator of our future performance.

47. The power financing sector, including RE financing, has witnessed increasing interest and competition. Expenses we need to undertake in order to remain competitive may adversely affect our cash flows, financial condition and result of operations.

Over the years, power financing NBFCs have seen significant traction supported by increase in demand for funds from power sector, and government's push towards growth of power sector. (*Source: CARE Report*) Further, the renewable sector has been gaining significant traction over the years and power financing NBFCs have been playing a key role in funding renewable projects, with the loan book of six major power financing NBFCs and their credit towards the RE sector reaching nearly ₹ 1,500 billion in Fiscal 2023. (*Source: CARE Report*) As the RE sector grows, boosted by government support, there is likely to be increasing interest among financing players such as domestic and international banks, finance companies, among others, to meet financing needs in the sector. In order to remain competitive, we may need to undertake expenses to acquire and retain borrowers. For instance, our advertising costs may increase, we may need to offer more competitive rates of interest, and make other accommodations to suit borrower requirements. Such additional expenses may add to our operating costs and reduce our operating margins.

48. We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.

Our trademark name and logo इरेडा IREDA is registered with the Trade Marks Registry of India. As of the date of this Prospectus, our Company has registered one trademark in India. For further information, see "*Government and Other Approvals*" on page 586. There can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation, and goodwill. Further, while we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. While we have not been involved in any intellectual property disputes in the past, we cannot assure you that we will not be involved in such disputes in the future, including disputes relating to our pending trademark applications. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed intellectual property rights. While such claims by third parties have not been made to us historically, the occurrence of any of the foregoing would adversely affect our business operations and financial results.

49. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

We maintain insurance coverage consistent with industry practice in India to cover certain risks associated with our business. For further information on our insurance policies, see "*Our Business – Insurance*" on page 261. As of March 31, 2021, March 31, 2022, March 31, 2023, September 30, 2022 and September 30, 2023, we had a total insurance coverage of ₹ 2,660.04 million, ₹ 3,760.93 million, ₹ 3,679.65 million, ₹ 3,657.06 million and ₹ 3,601.96 million, respectively, aggregating to 66.65%, 81.88%, 84.90%, 84.20% and 87.23% respectively, of our total fixed assets, with full coverage based on the depreciated value. Our insurance coverage represented 0.88%, 1.02%, 0.73%, 0.90% and 0.70% of our total assets as of March 31, 2021, March 31, 2022, March 31, 2023 and as of September 30, 2022 and September 30, 2023, respectively. Total assets represents aggregate total of financial and non-financial assets as per our balance sheet. Insurance coverage has been taken for fixed assets. We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. Even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, or at all. While there have been no instances in the three preceding Fiscals, if we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

50. We may face labour disruptions and employee misconduct that could adversely affect our business, results of operations and financial condition.

We have no employee unions or associations. Although we believe that we have good industrial relations with our employees, we cannot guarantee that our employees will not undertake or participate in strikes, work stoppage or other industrial action in the future. While there have been no instances in the three preceding Fiscals and the six months ended September 30, 2023, if any such work stoppage or disruption was to occur, possibly for a significant period of time, our business, results of operations and financial condition would be adversely affected. There is also likelihood for employee misconduct which could involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. It is not always possible to deter misconduct by employees and the precautions we take and the systems we have put in place to prevent and deter such activities may not be effective in all cases. Any instances of such misconduct or fraud could adversely affect our reputation, business, results of operations and financial condition.

51. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

Our internal audit functions and internal financial control systems make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies, compliance requirements and internal guidelines. However, there have been instances of delays or lapses on our part in making certain regulatory filings in the past. For further information, see "*Risk factors – We are required to comply with SEBI regulations and other statutory requirements in respect of our public and privately placed debt securities, which are listed on the Stock Exchanges*" on page 48. We cannot assure you that regulatory proceedings or actions will not be initiated against us in the future and we will not be subject to any penalty imposed by the competent regulatory authority in this regard. Additionally, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

We also take steps to establish and maintain compliance and disclosure procedures, systems and controls, and to maintain internal controls over financial reporting to produce reliable financial reports and prevent financial fraud. However, internal controls over financial reporting are reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgement and breakdowns resulting from human error. While there have been no frauds or failures of internal control in the three preceding Fiscals and the six months ended September 30, 2023, to the extent that there are lapses in judgement or breakdowns resulting from human error, the accuracy of our financial reporting could be affected, resulting in a loss of investor confidence and could adversely affect our reputation, business, results of operations and financial condition.

Further, our operations are subject to anti-corruption laws and regulations, which prohibit us and our employees and intermediaries from bribing, being bribed or making other prohibited payments to obtain/ retain business or gain other business advantage. We participate in collaborations and relationships with third parties whose actions could potentially subject us to liability under these laws. While our code of conduct requires our employees and intermediaries to comply with all applicable laws, and we continue to enhance our policies and procedures in an effort to ensure compliance with applicable anti-corruption laws and regulations, these measures may not prevent the breach of such anti-corruption laws. We are also subject to the guidelines provided to public sector enterprises in relation to vigilance management by the Central Vigilance Commission. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, results of operations and financial condition. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation.

52. The poor health of State DISCOMs may lead to delays in payments to RE projects that we finance. This poses a risk which may adversely affect the repayment capability of our borrowers.

The power off-take from RE projects that we finance is largely through long term power purchase agreements ("**PPAs**") with central agencies as well as state DISCOMs. The weak financial health of DISCOMs remains the biggest challenge for the Indian power sector. (*Source: CARE Report*) As the ultimate customers for solar power producers, their financial situation continues to be dire in most cases, and hence there have been consistent delays in payments, and as of May 2023, the DISCOMs collectively owe ₹ 983.18 billion to various power generators. (*Source: CARE Report*) The GoI has taken multiple initiatives over the past few years to improve the sector, leading to DISCOMs beginning to clear overdue amounts to generation companies post the imposition of late payment surcharge; the GoI also expects that DISCOMs will be able to clear all their outstanding dues by 2026. (*Source: CARE Report*) However, the financial problems experienced by the DISCOMs often results in delayed payments to the RE power generators and irregular payment cycles of our RE project borrowers. This may affect the repayment capability of our borrowers and in turn may adversely affect our business, results of operations and financial condition. Further, if such borrowers are unable to manage their cash flow and other financial risks applicable to such borrowers, our NPAs could increase which would also adversely affect our business, financial condition and results of operations.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour, or that no additional liability will arise out of these proceedings. Our Company is contesting these matters and such proceedings could divert management's time and attention, and consume financial resources. In addition to the foregoing, we could also be adversely affected by complaints, claims or legal actions brought by persons, before various forums such as courts and tribunals or sector-specific or other regulatory authorities in the ordinary course or otherwise, in relation to our products and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or our policies or any other acts/omissions. Further, we may be subject to legal action by our employees and/or ex-employees in relation to alleged grievances such as termination of their employment with the Company. There can be no assurance that such complaints or claims will not result in investigations, enquiries or legal actions by any courts, tribunals or regulatory authorities against us. Any adverse decision in any of these proceedings may have an adverse effect on our business, results of operations and financial condition.

53. Significant differences exist between Ind-AS and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with Ind-AS contained in this Prospectus.

Our Restated Financial Information as of, and for the years ended, March 31, 2021, 2022 and 2023 and the six months ended September 30, 2022 and September 30, 2023 have been prepared and presented in accordance with Ind-AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows and financial position may be substantially different. Prospective investors should review the accounting policies applied in the preparation of our financial statements and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should be limited accordingly.

54. The interests of the Promoter as our controlling shareholder may conflict with the interests of other shareholders.

Under our Articles of Association, the Promoter, by holding a majority of our equity share capital may issue directives with respect to the conduct of our business or our affairs for as long as we remain a Government company, as defined under the Companies Act. The interests of the Promoter may be different from our interests or the interests of other shareholders. As a result, the Promoter may take actions with respect to our business and the businesses of our peers and competitors, designed to serve the public interest in India and not necessarily to maximize profits. In addition, as a result of our controlling ownership by the Promoter, we are required to adhere to certain restrictions with respect to the types of investments we may make using our cash balances, which may restrict us from entering into certain investments providing a higher rate of return. The Promoter will retain control over the decisions requiring adoption by our shareholders and could exercise its powers of control, delay or defer or initiate a change of control of our Company or a change in our capital structure, delay or defer a merger, consolidation, or discourage a merger with another public sector undertaking.

55. Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes and the payments will be subject to the CPSE Capital Restructuring Guidelines.

Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and subsequent approval of shareholders and will depend on factors that our Board and shareholders deem relevant. We may decide to retain all our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. We cannot assure you that we will be able to pay dividends in the future.

In accordance with the CPSE Capital Restructuring Guidelines issued in May 27, 2016, our Company is required to pay a minimum annual dividend of 30% of its PAT or 5% of its net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions and the conditions mentioned in the aforesaid CPSE Capital Restructuring Guidelines as modified from time to time, unless an exemption is provided in accordance with the guidelines. We have received such exemption in Fiscal 2021, 2022, 2023 and for Fiscal 2024. For further information, see *"Dividend Policy"* on page 307.

56. Industry information included in this Prospectus has been derived from an industry report prepared CARE Advisory Research & Training Limited exclusively commissioned by us in connection with the Offer and paid for by the BRLMs for such purpose.

We have used the report titled "*Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs*" dated November 2023 ("**CARE Report**") prepared and issued by CARE Advisory Research and Training Limited ("**CARE**"). The CARE Report has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and is commissioned by our Company pursuant to mandate letter dated June 9, 2023, and paid for by the BRLMs in equal proportion for purposes of inclusion of such information in this Prospectus. We have no direct or indirect association with CARE other than as a consequence of such an engagement. The report is a paid report and is subject to various limitations and based upon certain assumptions, parameters and conditions that are subjective in nature. It also uses certain methodologies for market sizing and forecasting. Although we believe that the data and contents of the CARE Report may be considered to be reliable, the accuracy, completeness and underlying assumptions are not guaranteed. Given the scope and extent of the CARE Report, disclosures are limited to certain excerpts and the CARE Report has not been reproduced in its entirety in this Prospectus but is available on the website of the Company at https://www.ireda.in/home. Further, there is no assurance that such information is stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. In addition, statements from third parties that involve estimates, projections, forecasts and assumptions are subject to change, and actual amounts may differ materially from those included in this Prospectus.

You should consult your own advisors and undertake an independent assessment of information in this Prospectus based on, or derived from, the CARE Report before making any investment decision regarding the Offer. For the disclaimer associated with the CARE Report, see, "*Certain Conventions, Presentation of Financial Information, Industry and Market Data and Currency of Presentation – Industry and Market Data*" on page 16.

57. We have in the past entered into related party transactions and may need to or continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.

We have entered into related party transactions in the three preceding Fiscals and the six months ended September 30, 2022 and September 30, 2023, each of which have been undertaken on an arms' length basis. While we believe that all such transactions have been conducted on an arm's length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, results of operations and financial condition. For further information on our related party transactions, see "*Restated Financial Information – Related Party Disclosures*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Related Party Transactions*" on pages 502 and 564, respectively.

58. The Net Proceeds might not be applied in ways that increase the value of your investment. Further, it is not subject to any monitoring by any independent agency.

Our funding requirements and the deployment of the proceeds of the Offer are purely based on our management's estimates and have not been appraised by any bank or financial institution. We may have to revise such estimates from time to time and consequently our funding requirements may also change. We currently intend to use the Net Proceeds from the Fresh Issue towards augmentation of our capital base to meet our future capital requirements and on-lending. Further, as our Company is a public financial institution, we are not required to appoint a monitoring agency in relation to the Offer under Regulation 41 of the SEBI ICDR Regulations.

59. Our funding requirements and the proposed deployment of Net Proceeds are not appraised by any independent agency.

We intend to use the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 112. Our funding requirements are based on management estimates and our current business plans and have not been appraised by any bank or financial institution. The deployment of the Net Proceeds will be at the discretion of our Board. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of proceeds. If we are unable to deploy the proceeds of the Offer in a timely or an efficient manner, it may affect our business and results of operations.

60. Our Company has granted loans to our Directors, KMPs and Senior Management Personnel and there can be no assurance that we will be able to recover such loans in a timely manner, or at all.

As of September 30, 2023, we had granted unsecured loans to our Director, Key Managerial Personnel and Senior Management Personnel, in addition to the remuneration, perquisites and reimbursement of expenses paid to them, as set forth in the table below:

(₹ million)

Loans to Director, KMP and SMP#*	**(Balance at the end of the period including interest)**
	Six months ended September 30, 2023
Director	3.22
KMP#	4.26
SMP*	12.00

#Loans to KMP also includes loan give to one Director of amount ₹ 3.22 million.
**Loans to SMP also includes loan given to two KMPs, being the CFO (ceased to be CFO from October 16, 2023) and CS, amounting to ₹ 1.04 million.*

We may not be able to recover such loans, and any similar loans extended to our KMPs or to Senior Management Personnel in future. This may in turn adversely affect our results of operations and cash flows.

61. We will not receive any proceeds from the Offer for Sale. Our Promoter will receive the net proceeds from the Offer for Sale.

The Offer consists of a Fresh Issue and an Offer for Sale. Our Promoter will be entitled to the net proceeds from the Offer for Sale, which comprise proceeds from the Offer for Sale net of Offer expenses, and our Company will not receive any proceeds from the Offer for Sale.

62. We have in this Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian financial services industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies operating in the Indian financial services industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Performance Indicators and Non-GAAP Financial Measures*" on page 542.

63. Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We intend to use the net proceeds raised pursuant to the Fresh Issue as set forth under "*Objects of the Offer*" on page 112. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoter would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on our Promoter to provide an exit opportunity to such dissenting shareholders may deter our Promoter from agreeing to the variation of the proposed utilisation of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoter of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilised portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

Valuation Risk Factor

64. The Offer Price, market capitalization to revenue from operations multiple, price to book value and price to earnings ratio based on the Offer Price of our Company, may not be indicative of the market price of the Equity Shares on listing.

Our revenue from operations and profit after tax for Fiscal 2023 was ₹34,819.75 million and ₹8,646.28 million, respectively. Our price to earnings ratio, based on our Fiscal 2023 profit after tax is 8.47 times at the Offer Price. Our market capitalization to revenue from operations for Fiscal 2023 multiple is 2.47 times at the Offer Price.

The table below provides details of our price to earnings ratio, price to book value and market capitalization to revenue from operations:

Particulars	Price to Earnings Ratio	Price to Book Value	Market Capitalization to Revenue from operations
For Fiscal 2023	8.47	1.23	2.47

The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section titled "*Basis for Offer Price*" on page 118 and the Offer Price, multiples and ratios may not be indicative of the market price of the Equity Shares on listing or thereafter. Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and international markets, regulatory amendments or similar situations, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, market price may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

External Risks

65. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations and financial condition.

We are incorporated in India and all of our funded projects, companies to which we have extended borrowings are located in India. As, a result, our results of operations and financial condition are significantly affected by factors influencing the Indian economy. Any slowdown or perceived slowdown in the Indian economy could adversely affect our business.

An increase in trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which may adversely affect the Indian economy and our business. Further, India's economy could be adversely affected by a general rise in interest rates or inflation, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. This could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The Indian economy is also influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in the Indian economy. Further, a loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Other factors which may adversely affect the Indian economy and result in an adverse impact on economic conditions in India and scarcity of financing include:

(i) Volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;

(ii) Changes in India's tax, trade, fiscal or monetary policies;

(iii) Political instability;

(iv) Terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;

(v) Occurrence of natural or man-made disasters;

(vi) Infectious disease outbreaks or other serious public health concerns, including in India's principal export markets; and

(vii) Other significant regulatory or economic developments in or affecting India or its financial services sectors.

66. The Indian market and Indian economy are influenced by global economic conditions which may have an adverse effect on our business, financial condition, results of operations and prospects.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, U.S. and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, results of operations and financial condition.

Financial markets and the supply of credit could continue to be negatively impacted by ongoing concerns surrounding the sovereign debts and/or fiscal deficits of several countries in Europe, the possibility of further downgrades of, or defaults on, sovereign debt, and concerns about a slowdown in growth in certain economies. In response to such developments, legislators and financial regulators in the United States, Europe and other jurisdictions, including India, have implemented several policy measures designed to add stability to the financial markets. In addition, any increase in interest rates by the United States Federal Reserve will lead to an increase in the borrowing costs in the United States which may in turn impact global borrowing as well. Furthermore, in several parts of the world, there are signs of increasing retreat from globalization of goods, services and people, as pressure for the introduction of a protectionist regime is building and such developments could adversely affect Indian exports. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. In the event that the current adverse conditions in the global credit markets continue or if there is any significant financial disruption, this could have an adverse effect on our business, results of operations and financial condition.

67. Difficulties faced by other financial institutions or the Indian financial sector generally could adversely affect us.

We are exposed to the risks of the Indian financial system, which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Our transactions with these financial institutions expose us to credit risk in the event of default by the counterparty, which can be exacerbated during periods of market illiquidity. The problems faced by individual Indian financial institutions and any instability in or difficulties faced by the Indian financial system generally could create adverse market perception about Indian financial institutions. This in turn could adversely affect our business, results of operations and financial condition.

68. Any adverse change in India's sovereign credit rating by international rating agencies could adversely affect our business, results of operations, financial condition and cash flows.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares. Lower sovereign credit ratings can also deter foreign investors, as it reflects increased risks associated with investing in the country. Reduced foreign investment can limit the overall capital inflow available for RE projects, affecting the growth and expansion of our financing business.

69. A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.

Flows to foreign exchange reserves can be volatile, and past declines may have adversely affected the valuation of the Rupee. Further declines in foreign exchange reserves, as well as other factors, could adversely affect the valuation of the Rupee and could result in reduced liquidity and higher interest rates that could adversely affect our business, results of operations, financial condition and cash flows. Such a decline in foreign reserves may lead to tighter credit conditions, making it more difficult for our renewable financing business, to access funds and meet the financing needs.

70. Inflation in India could lead to higher interest rates and could adversely affect our business, results of operations, financial condition and cash flows.

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. Although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. In addition, continued high rates of inflation may lead to higher interest rates. In addition, inflation may increase our expenses related to salaries or wages and other expenses. Accordingly, high rates of inflation in India could have an adverse effect on our business, results of operations, financial condition and cash flows. During periods of inflation, investors may seek assets that provide a hedge against rising prices. This may lead to a shift in investment preferences towards inflation-hedging assets such as commodities or real estate. As a result, the demand for financial products offered by us may be affected, potentially impacting our business growth and revenue. Inflation can affect the ability of our borrowers to repay their loans. If inflation erodes the purchasing power of incomes, our borrowers may face difficulties in meeting their loan obligations which may result in an increase in non-performing loans, that can negatively impact our financial health and asset quality.

71. Our ability to raise foreign capital may be constrained by Indian law, which may adversely affect our business, financial condition, cash flows and results of operations.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business, financial condition, cash flows and results of operations.

72. Natural calamities, climate change and health epidemics and pandemics such as COVID-19 could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, results of operations and financial condition.

India has experienced natural calamities, such as earthquakes and floods in recent years. Natural calamities could have an adverse impact on the Indian economy which, in turn, could adversely affect our business, and may damage or destroy our borrowers assets or projects. Any of these natural calamities could adversely affect our business, results of operations and financial condition.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine. In addition, the COVID-19 pandemic, has caused a worldwide health crisis and economic downturn. Any future outbreak of health epidemics may restrict the level of business activity in affected areas, which may, in turn, adversely affect our business. India has, from time to time, experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

73. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances mentioned below, may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy.

For instance, the Taxation Laws (Amendment) Act, 2019, a tax legislation issued by India's Ministry of Finance effective as of September 20, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this legislation, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits and/or exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed. Domestic companies are otherwise subject to tax at the rate of 25% or 30% depending upon their total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities, tribunals or courts would have an effect on our profitability.

Further, the Government of India has announced the Union Budget for Fiscal 2024 pursuant to which the Finance Act, 2023 has introduced various amendments to taxation laws in India.

A change of law that requires us to increase the benefits to the employees from the benefits now being provided may create potentially liability for us. Such benefits could also include provisions which reduce the number of hours an employee may work for or increase in number of mandatory casual leaves, which all may affect the productivity of the employees. For example, the GoI has introduced (a) the Code on Wages, 2019; (b) the 56 Code on Social Security, 2020 ("**Social Security Code**"); (c) the Occupational Safety, Health and Working Conditions

Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. The rules for the implementation of these codes have not been announced, and as such, the full impact of such laws on our business, operations and growth prospects, remain uncertain. For example, the Social Security Code aims to provide uniformity in providing social security benefits to employees which were previously segregated under different acts and had different applicability and coverage.

Unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations governing our business and operations could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

Further, our Company cannot predict whether any laws or regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have an adverse effect on our business, results of operations and financial condition.

74. Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.

Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India, or CCI.

The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners i.e., entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

RISKS RELATING TO THE EQUITY SHARES

75. Our Equity Shares have not been publicly traded prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.

Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Offer. Moreover, the Offer Price is intended to be determined through a book-building process and may not be indicative of the price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter.

The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, research analysts' recommendations, announcements by third parties or governmental entities of significant claims or proceedings against us, new laws and governmental regulations applicable to our industry, additions or departures of key management personnel, changes in exchange rates, any large claims made under one of our policies and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

76. ***Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.***

On listing of our Equity Shares, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after listing of our Equity Shares due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any political or economic factors. The occurrence of any of the abovementioned factors may lead to us triggering the parameters listed by SEBI and/or the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, concentration of business associates, close to close price variation, market capitalization, variation in volume, delivery percentage and average unique PAN traded over a period of time. In the event our Equity Shares are covered under such surveillance measures implemented by SEBI and/or the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active trading market for our Equity Shares.

77. ***The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs, and through the Book Building Process. This price will be based on numerous factors and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer and may decline below the Offer Price. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

78. ***Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

79. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

80. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after closure of the Offer.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until closure of the Offer.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Bids, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition, or otherwise, between the dates of the submission of their Bids and the Allotment.

81. Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against us, our directors or our executive officers.

Our Company is a limited liability company incorporated under the laws of India. The majority of our directors and executive officers are residents of India. Our Company's assets are located in India. As a result, it may be difficult for investors to effect service of process upon us or such persons in India or to enforce judgments obtained against our Company or such parties outside India. India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the United Kingdom, Singapore, UAE, and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). The United States has not been notified as a reciprocating territory.

In order to be enforceable, a judgment obtained in a jurisdiction which India recognizes as a reciprocating territory must meet certain requirements of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record; such presumption may be displaced by proving want of jurisdiction.

The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. Indian court may or may not award damages on the same basis as a foreign court if an action is brought in India. Moreover, Indian court would only award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were not excessive or inconsistent with public policy in Indian. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

82. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions.

83. The requirements of being a listed company may strain our resources.

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by Shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

84. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or demat accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The Allotment of Equity Shares in this Offer and the credit of such Equity Shares to the applicant's demat account with depository participant and trading approvals from the Stock Exchanges is expected to be completed within the period as may be prescribed under applicable law. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

85. Investors may be subject to Indian taxes arising out of income arising out of capital gains and stamp duty on the sale of Equity Shares and dividend.

Under the current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("**STT**") is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and the STT is collected by an Indian stock exchange on which listed equity shares are sold. Any gains realized on the sale of equity shares held for more than 12 months are subject to long term capital gains tax in India. Such long term capital gains exceeding ₹100,000 arising from the sale of listed equity shares on the stock exchange are subject to tax at the rate of 10% (plus applicable surcharge and cess). Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

Further, the GoI has notified the Finance Act, 2023, which has introduced various amendments to the Income Tax Act, 1961. There is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or on the insurance industry. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

We cannot predict whether any tax laws or other regulations impacting us will be enacted or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows.

86. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in does not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emption rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

87. A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of the SEBI Takeover Regulations.

88. Compliance with provisions of Foreign Account Tax Compliance Act may affect payments on the Equity Shares.

The U.S. "Foreign Account Tax Compliance Act" (or "**FATCA**") imposes a new reporting regime and potentially, imposes a 30% withholding tax on certain "foreign passthru payments" made by certain non-U.S. financial institutions (including intermediaries). If payments on the Equity Shares are made by such non-U.S. financial institutions (including intermediaries), this withholding may be imposed on such payments if made to any non-U.S. financial institution (including an intermediary) that is not otherwise exempt from FATCA or other holders who do not provide sufficient identifying information to the payer, to the extent such payments are considered "foreign passthru payments". Under current guidance, the term "foreign passthru payment" is not defined and it is therefore not clear whether and to what extent payments on the Equity Shares would be considered "foreign passthru payments". The United States has entered into intergovernmental agreements with many jurisdictions (including India) that modify the FATCA withholding regime described above. It is not yet clear how the intergovernmental agreements between the United States and these jurisdictions will address "foreign passthru payments" and whether such agreements will require us or other financial institutions to withhold or report on payments on the Equity Shares to the extent they are treated as "foreign passthru payments". Prospective investors should consult their tax advisors regarding the consequences of FATCA, or any intergovernmental agreement or non-U.S. legislation implementing FATCA, to their investment in Equity Shares.

89. U.S. holders should consider the impact of the passive foreign investment company rules in connection with an investment in our Equity Shares.

A foreign corporation will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes for any taxable year in which either: (i) at least 75% of its gross income is "passive income" or (ii) at least 50% of its gross assets during the taxable year (based on of the quarterly values of the assets during a taxable year) are "passive assets," which generally means that they produce passive income or are held for the production of passive income. No assurance can be given that our Company will or will not be considered a PFIC in the current or future years. The determination of whether or not our Company is a PFIC is a factual determination that is made annually after the end of each taxable year, and there can be no assurance that our Company will not be considered a PFIC in the current taxable year or any future taxable year because, among other reasons, (i) the composition of our Company's income and assets will vary over time, and (ii) the manner of the application of relevant rules is uncertain in several respects. Further, our Company's PFIC status may depend on the market price of its Equity Shares, which may fluctuate considerably.

Our Company is not, and does not intend to be, regulated as an investment company under the Investment Company Act and related rules. The Volcker Rule may affect the ability of certain types of entities to purchase the Equity Shares. Our Company will not be subject to the provisions of the U.S. Investment Company Act, in reliance on Section 3(c)(7) thereof, which excludes from the definition of "investment company" any issuer whose outstanding securities are owned exclusively by "qualified purchasers" (as defined in such Section 3(c)(7)), and who meet the other conditions contained therein. For purposes of the Volcker Rule, a "covered fund" includes any issuer that would be an investment company but for the exclusions contained in Section 3(c)(1) or Section 3(c)(7) under the U.S. Investment Company Act. The Volcker Rule may negatively affect the ability of certain types of entities to purchase the Equity Shares. The Volcker Rule generally prohibits "banking entities" from engaging in proprietary trading, or from acquiring or retaining an "ownership interest" in, sponsoring or having certain relationships with "covered funds", subject to certain exclusions and exemptions under the Volcker Rule. A "banking entity" generally includes any U.S. insured depository institution, any company that controls an U.S. insured depository institution (as defined in Section 3 of the U.S. Federal Deposit Insurance Act (12 U.S.C § 1813)), subject to certain exclusions), any company that is treated as a bank holding company for purposes of Section 8 of the U.S. International Banking Act of 1978, or any affiliate or subsidiary of any of the foregoing entities. The Volcker Rule's prohibition on "covered fund" investments and proprietary trading activities is subject to certain limited exemptions, including for, among other things, certain underwriting and market making activities and the activities of qualified non-U.S. banking entities which are conducted solely outside the United States. These and other exemptions under the Volcker Rule are subject to specific conditions and requirements. With respect to the market making and underwriting exemptions, recent amendments to the Volcker Rule's implementing regulations eliminated the requirement that a "banking entity" include "ownership interests" in third-party "covered funds" or "covered funds" guaranteed by a "banking entity" that are acquired or retained under the market making or underwriting exemptions towards its per-fund and aggregate "covered fund" investment limits and for the required Tier 1 capital deduction. Any prospective investor in the Equity Shares should consult its own legal counsel regarding the potential impact of the Volcker Rule and its ability to purchase or retain the Equity Shares. None of the Company nor any Underwriter nor any of their respective affiliates makes any representation to any prospective investor or purchaser of the Equity Shares regarding such investor's investment in the Equity Shares on the date of issuance or at any time in the future.

SECTION III: INTRODUCTION

THE OFFER

The following table summarises the Offer details:

Offer of Equity Shares of face value of ₹10 each(1)(2)	671,941,177* Equity Shares, aggregating to ₹21,502.12 million*
of which:	
Fresh Issue(1)	403,164,706* Equity Shares, aggregating to ₹12,901.27 million*
Offer for Sale(2)	268,776,471* Equity Shares, aggregating to ₹8,600.85 million*
of which:	
Employee Reservation Portion(3)	1,875,420* Equity Shares, aggregating to ₹60.01 million*
Net Offer	670,065,757* Equity Shares, aggregating to ₹21,442.10 million*
Net Offer consists of:	
A. QIB Portion(4)(5)	335,032,878* Equity Shares, aggregating to ₹10,721.05 million*
of which:	
Anchor Investor Portion(4)	201,019,726* Equity Shares
Balance available for allocation to QIBs other than the Anchor Investor Portion (assuming the Anchor Investor Portion is fully subscribed)	134,013,152* Equity Shares
of which:	
Mutual Fund Portion (5% of the Net QIB Portion) excluding Anchor Investor Portion	6,700,658* Equity Shares
Balance for all QIBs including Mutual Funds	127,312,494* Equity Shares
B. Non-Institutional Portion(6)(7)	100,509,864* Equity Shares, aggregating to ₹3,216.32 million*
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹200,000 and up to ₹1,000,000	33,503,288* Equity Shares
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹1,000,000	67,006,576* Equity Shares
C. Retail Portion(7)	234,523,015* Equity Shares, aggregating to ₹7,504.74 million*
Pre and post-Offer Equity Shares	
Equity Shares outstanding prior to the Offer (as of the date of this Prospectus)	2,284,600,000 Equity Shares
Equity Shares outstanding after the Offer	2,687,764,706* Equity Shares
Use of Net Proceeds	See "*Objects of the Offer*" on page 112 for information about the use of the proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

* *Subject to finalisation of Basis of Allotment*

(1) *The Offer has been authorised by a resolution of our Board of Directors at their meeting held on September 2, 2023 and the Fresh Issue has been authorised by a special resolution of our Shareholders dated September 4, 2023.*

(2) *Our Promoter Selling Shareholder, through its letter dated September 5, 2023, conveyed its consent to offer up to 268,776,471 Equity Shares as part of the Offer for Sale. Further, our Board has taken on record this consent letter of the Promoter Selling Shareholder for participation in the Offer for Sale pursuant to its resolution dated September 7, 2023. For details on the confirmation by the Promoter Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 589.*

(3) *The Employee Reservation Portion did not exceed 5% of the post-Offer paid-up Equity Share. In the event of undersubscription in the Employee Reservation Portion, if any, the unsubscribed portion shall be made available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹500,000, as*

applicable), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion was allowed to Bid in the Net Offer and such Bids shall not be treated as multiple Bids subject to applicable limits. For further details, see "Offer Structure" on page 620.

(4) *Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion was accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription in the Anchor Investor Portion, if any, the remaining Equity Shares were added to the QIB Portion. 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. For details, see "Offer Procedure" on page 624.*

(5) *Undersubscription, if any, in the QIB Portion shall not allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids having been received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, shall be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, and the Designated Stock Exchange.*

(6) *One-third of the portion available to Non-Institutional Investors was reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds of such portion was reserved for Bidders with application size of more than ₹1,000,000. Unsubscribed portion in either of the aforementioned sub-categories, if any, shall be allocated to applicants in the other sub-category of non-institutional investors.*

(7) *SEBI through its circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹500,000, shall use UPI. UPI Bidders using the UPI Mechanism, were required to provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

Allocation to all categories (including the Employee Reservation Portion), except the Anchor Investor Portion, Retail Portion and Non-Institutional Portion, shall be made on a proportionate basis subject to valid Bids having been received at or above the Offer Price, as applicable. The allocation to each Retail Individual Investors and Non-Institutional Investor shall not be less than the minimum Bid Lot or minimum application size, as the case may be, subject to availability of Equity Shares in the Retail Portion and Non-Institutional Portion, respectively, and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis in accordance with the SEBI ICDR Regulations. For further details, see "*Offer Procedure*" on page 624.

For further details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure* "and "*Offer Procedure*" on pages 620 and 624, respectively. For further details of the terms of the Offer, see "*Terms of the Offer*" on page 615.

SUMMARY OF RESTATED FINANCIAL INFORMATION

The following tables sets forth the summary of financial information of our Company derived from the Restated Financial Information. The Restated Financial Information referred to above is presented under "*Restated Financial Information*" on page 321. The summary of financial information presented below should be read in conjunction with the "*Restated Financial Information*", the notes thereto and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 321 and 520, respectively.

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RESTATED SUMMARY OF ASSETS AND LIABILITIES

(₹ in million)

S. No	Particulars	As at September 30, 2023 (Standalone)	As at September 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
I	**ASSETS**					
A	**Financial Assets**					
	(a) Cash and cash equivalents	3,602.39	23,463.16	1,385.31	1,311.75	2,210.18
	(b) Bank Balance other than (a) above	11,026.85	20,449.76	8,162.39	3,955.19	3,822.92
	(c) Derivative financial instruments	4,516.44	4,537.08	5,740.52	3,983.30	4,030.90
	(d) Receivables	-	-	-	-	-
	(I) Trade Receivables	39.75	30.50	49.14	45.27	29.70
	(e) Loans	467,128.84	329,417.51	462,269.24	331,744.48	269,056.43
	(f) Investments	993.20	992.85	993.03	992.68	-
	(g) Other financial assets	311.31	307.27	318.06	318.20	227.95
	Total (A)	**487,618.78**	**379,198.13**	**478,917.69**	**342,350.87**	**279,378.08**
B	**Non-financial Assets**					
	(a) Current Tax Assets (Net)	1,648.50	2,027.32	1,439.24	1,298.45	1,084.60
	(b) Deferred Tax Assets (Net)	2,640.04	2,876.49	3,010.02	3,220.59	2,109.92
	(c) Investment Property	0.27	0.33	0.30	0.36	0.43
	(d) Property, Plant and Equipment	2,046.55	2,201.61	2,128.43	2,301.07	2,463.78
	(e) Capital Work-in-progress	124.86	1,287.89	1,392.63	1,283.33	0.09
	(f) Right of use asset	1,430.54	167.56	158.58	176.53	196.18
	(g) Intangible assets under development	48.56	42.54	48.56	31.12	-
	(h) Intangible assets	0.12	0.46	0.14	0.45	1.06
	(i) Other non-financial assets	17,006.69	16,972.06	17,374.24	16,421.28	17,694.43
	(j) Investment accounted using Equity Method	-	-	-	-	5.34
	Total (B)	**24,946.13**	**25,576.26**	**25,552.14**	**24,733.18**	**23,555.83**
	Total Assets (A+B)	**512,564.91**	**404,774.39**	**504,469.83**	**367,084.05**	**302,933.91**
II.	**LIABILITIES AND EQUITY**					
B	**LIABILITIES**					
	Financial Liabilities					
	(a) Derivative financial instruments	1,733.79	4,511.06	1,514.68	1,825.75	918.32
	(b) Payables	-	-	-	-	-
	(I) Trade Payables	-	-	-	-	-
	(i) total outstanding dues of micro enterprises and small enterprises	1.96	0.60	2.53	6.23	4.35
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	341.15	18.88	42.33	41.42	216.60
	(c) Debt Securities	115,426.98	107,787.47	108,432.83	92,291.38	91,202.61
	(d) Borrowings (Other than Debt Securities)	276,581.22	188,023.20	286,726.64	177,346.74	142,305.51
	(e) Subordinated Liabilities	6,493.73	6,492.96	6,493.33	6,492.60	6,491.92
	(f) Other financial liabilities	17,793.05	14,594.46	13,354.34	8,360.04	8,630.25
	Total (A)	**418,371.88**	**321,428.63**	**416,566.67**	**286,364.16**	**249,769.56**
B	**Non-Financial Liabilities**					
	(a) Provisions	10,397.07	9,440.30	11,181.58	10,559.66	6,024.59
	(b) Other non-financial liabilities	17,989.84	17,522.34	17,369.89	17,479.10	17,183.76
	Total (B)	**28,386.91**	**26,962.64**	**28,551.47**	**28,038.76**	**23,208.35**

S. No	Particulars	As at September 30, 2023 (Standalone)	As at September 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
C	**Equity**					
	(a) Equity Share Capital	22,846.00	22,846.00	22,846.00	22,846.00	7,846.00
	(b) Other Equity	42,960.12	33,537.12	36,505.69	29,835.13	22,110.00
	Total (C)	**65,806.12**	**56,383.12**	**59,351.69**	**52,681.13**	**29,956.00**
	Total Liabilities and Equity (A+B+C)	**512,564.91**	**404,774.39**	**504,469.83**	**367,084.05**	**302,933.91**

Note: On March 26, 2022, our Company divested its entire 24% stake held in M.P. Windfarms Limited, a joint venture between Consolidated Energy Consultants (P) Limited, M.P. Urja Vikas Nigam Limited and our Company. As on date of the Red Herring Prospectus, our Company does not have any subsidiaries, associate companies or joint ventures. Accordingly, the Restated Financial Information for the six months period September 30, 2023 and September 30, 2022, and for financial years ended March 31, 2022 and March 31, 2023 have been prepared on a standalone basis and the Restated Financial Information as at March 31, 2021 has been prepared on a consolidated basis.

RESTATED SUMMARY OF PROFIT AND LOSS

(₹ in million)

S. No	Particulars	For the six months ended September 30, 2023 (Standalone)	For the six months ended September 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
I	**Revenue from Operations**					
i)	Interest Income	22,856.86	15,329.42	33,738.27	27,132.21	25,643.38
ii)	Fees and Commission Income	208.65	161.35	373.33	1,063.86	337.73
iii)	Net gain/(loss) on fair value changes on derivatives	(113.21)	100.68	124.28	(14.73)	(124.73)
iv)	Other Operating Income	246.03	181.26	583.87	417.65	691.74
	Total Revenue from operations (I)	**23,198.33**	**15,772.71**	**34,819.75**	**28,598.99**	**26,548.12**
II	Other Income	6.25	4.79	10.69	142.56	29.32
III	**Total Income (I+II)**	**23,204.58**	**15,777.50**	**34,830.44**	**28,741.55**	**26,577.44**
IV	**Expenses**					
i)	Finance Cost	15,568.97	9,272.47	20,884.38	15,872.51	15,702.62
ii)	Net translation/ transaction exchange loss	(300.49)	45.07	240.26	458.90	698.47
iii)	Impairment on financial instruments	(1,143.75)	(328.50)	665.79	1,798.98	3,416.45
iv)	Employee Benefits Expenses	329.46	301.05	630.93	588.18	473.60
v)	Depreciation, amortization and impairment	130.20	114.70	234.98	232.43	226.74
vi)	Others expenses	380.87	201.23	711.87	1,357.10	200.24
vii)	Corporate Social Responsibility Expenses	44.98	9.81	69.74	95.06	164.16
	Total Expenses (IV)	**15,010.24**	**9,615.83**	**23,437.96**	**20,403.15**	**20,882.28**
V	Profit/(loss) before exceptional items and tax (III-IV)	8,194.34	6,161.67	11,392.49	8,338.40	5,695.16
VI	Exceptional Items			-	-	-
VII	**Profit/(loss) before tax (V-VI)**	**8,194.34**	**6,161.67**	**11,392.49**	**8,338.40**	**5,695.16**
VIII	**Tax expense**					
	(i) Income tax	2,030.45	1,715.51	2,531.73	3,111.96	2,916.23
	(ii) Deferred tax	370.74	343.50	214.48	(1,108.83)	(685.13)
IX	Share of Profit/(Loss) in Associate	-	-	-	-	(0.25)
X	Profit/(loss) for the period from continuing operations (VII-VIII+IX)	5,793.15	4,102.66	8,646.28	6,335.28	3,463.81
XI	**Profit/(loss) for the period**	**5,793.15**	**4,102.66**	**8,646.28**	**6,335.28**	**3,463.81**
XII	**Other Comprehensive Income**					
(A)	(i) Items that will not be reclassified to profit or loss					
	- Remeasurements of the defined benefit plans	(3.01)	2.36	(15.54)	(7.29)	(14.10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.76	(0.59)	3.91	1.83	(1.62)
	Subtotal (A)	**(2.25)**	**1.76**	**(11.63)**	**(5.46)**	**(15.72)**
(B)	(i) Items that will be classified to profit or loss:					
	Effective portion of gain /(loss) on hedging instrument in cash flow hedge reserve	(2,142.62)	(2,445.59)	(502.11)	(1,032.31)	(3,282.86)

S. No	Particulars	For the six months ended September 30, 2023 (Standalone)	For the six months ended September 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
	(ii) Income tax relating to items that will be reclassified to profit or loss	539.26	615.51	126.37	259.81	826.23
	Subtotal (B)	(1,603.37)	(1,830.08)	(375.74)	(772.50)	(2,456.63)
	Other Comprehensive Income (A+B)	**(1,605.62)**	**(1,828.32)**	**(387.37)**	**(777.96)**	**(2,472.35)**
XIII	**Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and other Comprehensive Income for the period)**	**4,187.53**	**2,274.34**	**8,258.90**	**5,557.31**	**991.46**
XIV	**Earning per equity share (For continuing operations)**					
	Basic (₹)	2.54	1.80	3.78	8.03	4.41
	Diluted (₹)	2.54	1.80	3.78	8.03	4.41

Note: On March 26, 2022, our Company divested its entire 24% stake held in M.P. Windfarms Limited, a joint venture between Consolidated Energy Consultants (P) Limited, M.P. Urja Vikas Nigam Limited and our Company. As on date of this Prospectus, our Company does not have any subsidiaries, associate companies or joint ventures. Accordingly, the Restated Financial Information for the six months period September 30, 2023 and September 30, 2022, and for financial years ended March 31, 2022 and March 31, 2023 have been prepared on a standalone basis and the Restated Financial Information as at March 31, 2021 has been prepared on a consolidated basis.

RESTATED SUMMARY OF CASH FLOWS

(₹ in million)

S No.	Particulars	For the six months ended September 30, 2023 (Standalone)	For the six months ended September 30, 2022 (Standalone)	For the year ended March 31, 2023 (Standalone)	For the year ended March 31, 2022 (Standalone)	For the year ended March 31, 2021 (Consolidated)
A	**Cash Flow from Operating Activities:**					
	Profit Before Tax	8,194.34	6,161.67	11,392.49	8,338.40	5,695.16
	Adjustment for:					
1.	Loss on sale of Fixed Assets/Adjustment (Net)	4.47	0.80	1.30	0.41	0.10
2.	Profit on sale of Investments	-	-	-	(1.20)	-
3.	Impairment of Financial Assets	(1,143.75)	(328.50)	665.79	1,798.98	3,416.45
4.	Depreciation & Amortisation	130.20	114.70	234.98	232.43	226.74
5.	Interest on lease liability	1.83	1.93	3.82	0.67	0.79
6.	Net translation/ transaction exchange loss	(300.49)	45.07	240.26	458.90	698.47
7.	Provision Written Back	-	-	-	(0.65)	(19.92)
8.	Bad debts	-	-	-	130.20	-
9.	Amounts Written Off	11.12	4.81	0.12	141.03	27.45
10.	Provisions for Employee Benefits	25.03	(3.66)	8.77	29.56	16.40
11.	Effective Interest Rate on Debt securities	0.83	12.08	13.64	28.77	26.75
12.	Effective Interest Rate on other than Debt Securities	0.03	0.07	0.14	0.21	0.27
13.	Effective Interest Rate on Sub debt	0.40	0.37	0.73	0.68	(5.08)
14.	Effective Interest Rate on Loans	(72.05)	70.88	646.81	296.78	173.23
15.	Provision for Indirect Tax & other (on Guarantee Commission)	45.03	45.03	90.06	741.11	(49.20)
16.	Net gain on fair value changes on derivatives	(113.21)	100.68	124.28	14.73	124.73
	Operating profit before changes in operating assets/liabilities	**6,783.78**	**6,225.92**	**13,423.19**	**12,211.01**	**10,332.34**
	Increase / (Decrease) in operating assets / liabilities					
1.	Loans	(4,512.49)	2,579.78	(1,31,329.92)	(61,269.02)	(41,476.30)
2.	Other Financial Assets	1,343.85	(643.68)	(1,881.69)	(60.17)	20.77
3.	Other Non-Financial Assets	367.54	(550.78)	(952.96)	(10.09)	(12.07)
4.	Trade Receivable	9.39	14.77	(3.87)	(15.56)	1.53
5.	Other non-financial liabilities	619.95	(1,115.12)	(109.20)	266.39	(269.87)
6.	Other financial liability	2,519.45	6.474.05	4,180.90	(292.40)	(927.89)
7.	Lease Liability	(0.52)	(0.71)	(1.30)	-	-
8.	Trade Payable	294.00	(28.06)	(2.58)	(173.10)	(259.42)
9.	Bank Balances other than Cash and Cash equivalent	(2,864.44)	(16,494.56)	(4,207.22)	(132.26)	1,523.47
		(2,223.27)	**(9,764.30)**	**(1,34,307.84)**	**(61,686.20)**	**(41,399.78)**
	Cash Flow Before Exceptional Items	**4,560.51**	**(3,538.38)**	**(1,20,884.64)**	**(49,475.19)**	**(31,067.44)**

S No.	Particulars	For the six months ended September 30, 2023 (Standalone)	For the six months ended September 30, 2022 (Standalone)	For the year ended March 31, 2023 (Standalone)	For the year ended March 31, 2022 (Standalone)	For the year ended March 31, 2021 (Consolidated)
	Exceptional Item	-	-	-	-	-
	Cash Generated from Operations before Tax	**4,560.51**	**(3,538.38)**	**(1,20,884.64)**	**(49,475.19)**	**(31,067.44)**
	Income Tax	(1,700.45)	(1,828.87)	(2,546.14)	(3,065.99)	(1,523.96)
	Net Cash Generated from Operations	**2,860.06**	**(5,367.24)**	**(1,23,430.78)**	**(52,541.18)**	**(32,591.40)**
B	**Cash Flow from Investing Activities**					
1.	Purchase of Property, Plant and equipment	(32.65)	(6.98)	(46.27)	(50.18)	(19.49)
2.	Purchase of Intangible assets	0.00	(0.13)	(0.06)	-	-
3.	Purchase of Right to Use Assets	-	(11.42)	-	-	-
4.	Sale of Property, Plant and equipment	0.75	-	0.99	0.37	0.03
5.	Intangible asset under development	-	(4.56)	(17.44)	(31.12)	-
6.	Investment in Securities	-	-	-	(990.28)	-
7.	Advance for Capital Expenditure/CWIP	(25.02)	-	(109.31)	-	(1.52)
	Net Cash flow from Investing Activities	**(56.93)**	**(23.10)**	**(172.09)**	**(1,071.21)**	**(20.98)**
C	**Cash Flow from Financing Activities**					
1.	Equity Contribution	-	-	-	15,000.00	-
2.	Issue of Debt Securities (Net of redemption)	6,993.32	15,484.00	16,127.81	1,060.00	(1,500.00)
3.	Raising of Loans Other than Debt Securities (Net of repayments)	(7,578.06)	12,058.97	1,07,551.15	36,662.09	20,917.76
4.	Raising of Subordinated Liabilities (Net of redemption)	-	-	-	-	5,000.00
5.	Payment for Lease Liability	(1.31)	(1.22)	(2.53)	(8.13)	(5.98)
6.	Dividend	-	-	-	-	-
7.	Corporate Dividend Tax	-	-	-	-	-
	Net Cash flow from Financing Activities	**(586.05)**	**27,541.75**	**1,23,676.43**	**52,713.96**	**24,411.78**
	Net Increase in Cash and Cash Equivalents	**2,217.08**	**22,151.42**	**73.56**	**(898.43)**	**(8,200.61)**
	Cash and Cash Equivalents at the beginning of the year	1,385.31	1,311.75	1,311.75	2,210.18	10,410.78
	Cash and Cash Equivalents at the end of the year/period	3,602.39	23,463.16	1,385.31	1,311.75	2,210.18
	Net Increase in Cash and Cash Equivalents	**2,217.08**	**22,151.42**	**73.56**	**(898.43)**	**(8,200.60)**
	Components of Cash and Cash Equivalents as at the end of the year/period					
	In Current Accounts with Banks in Indian Branch	1,126.59	1,478.25	408.41	778.56	2,189.13
	In Current Accounts with Banks in Foreign Branch	644.72	0.27	0.27	0.25	1.00

S No.	Particulars	For the six months ended September 30, 2023 (Standalone)	For the six months ended September 30, 2022 (Standalone)	For the year ended March 31, 2023 (Standalone)	For the year ended March 31, 2022 (Standalone)	For the year ended March 31, 2021 (Consolidated)
	Short term deposit in foreign branches	1,435.80	-	-	-	-
	In Overdraft Accounts with Banks	307.97	381.25	960.88	1.84	-
	In Deposit Accounts with Banks	19.62	21,542.42	-	440.12	-
	In Saving Bank Accounts with Banks	67.70	60.95	15.75	90.95	20.02
	Cheques Under Collection/DD In hand and Postage imprest	-	0.02	-	0.03	0.03
	Total	**3,602.39**	**23,463.16**	**1,385.31**	**1,311.75**	**2,210.18**

Notes:

(1) *The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.*

(2) *May refer Note 38(28) for amounts spent on contribution/ acquisition of assets and other purposes related to CSR activities.*

(3) *On March 26, 2022, our Company divested its entire 24% stake held in M.P. Windfarms Limited, a joint venture between Consolidated Energy Consultants (P) Limited, M.P. Urja Vikas Nigam Limited and our Company. As on date of the Red Herring Prospectus, our Company does not have any subsidiaries, associate companies or joint ventures. Accordingly, the Restated Financial Information for the six months period September 30, 2023 and September 30, 2022, and for financial years ended March 31, 2022 and March 31, 2023 have been prepared on a standalone basis and the Restated Financial Information as at March 31, 2021 has been prepared on a consolidated basis.*

GENERAL INFORMATION

Registered Office

India Habitat Centre, East Court
Core 4A, 1st Floor, Lodhi Road
New Delhi – 110 003, India

For details of changes in the registered office of our Company, see "*History and Certain Corporate Matters – Changes in the Registered Office*" on page 277.

Corporate Office

3rd Floor, August Kranti Bhavan
Bhikaji Cama Place
New Delhi – 110 066, India

Corporate Identity Number, Company Registration Number and RBI Registration Number

The corporate identity number and Company registration numbers and RBI registration number of our Company as follows:

Corporate Identity Number: U65100DL1987GOI027265

Company Registration Number: 027265

RBI Registration Number: 14.000012

Registrar of Companies

Our Company is registered with the Registrar of Companies, Delhi and Haryana, which is situated at the following address:

Registrar of Companies, Delhi and Haryana
4th Floor, IFCI Tower 61
Nehru Place, New Delhi 110 019
Delhi, India

Board of Directors

The table below sets forth the details of the constitution of our Board of Directors as on the date of this Prospectus:

Name	Designation	DIN	Address
Pradip Kumar Das	Chairman and Managing Director Additional charge of Director (Technical)	07448576	D-2/127 Kaka Nagar, Sunder Nagar Market, Lodhi Road, Central Delhi, New Delhi – 110 003
Dr. Bijay Kumar Mohanty	Director (Finance)	08816532	House No.- 474, In front of St. Angles Secondary School, Kanhai, Sector- 45, Gurugram, Haryana – 122 003
Ajay Yadav	Government Nominee Director	10046617	D1/93, Satya Marg, Chanakyapuri, New Delhi – 110 011, India
Padam Lal Negi	Government Nominee Director	10041387	C1/73, Bapa Nagar, near Delhi High Court, Central Delhi, New Delhi – 110 003, India
Shabdsharan Narharibhai Brahmbhatt	Independent Director	09483059	C-6, Tirupati Duplex, Muktinagar, Behind Besil School, Tandalja Road, Vadodara – 390 020, Gujarat
Dr. Jaganath Chennakeshava Murthy Jodidhar	Independent Director	09556253	#T-01, Fortuna Icon Apartment, Jodidhar Ashwathappa Farm, F Block, Sahakarnagar, Bengaluru North – 560 092, Karnataka

Name	Designation	DIN	Address
Ram Nihal Nishad	Independent Director	10064841	Ankaripur, Gosainganj, Ayodhya, Ankaripur, Faizabad – 224 141, Uttar Pradesh
Rohini Rawat	Independent Director	10064820	85, Loar Bazar, Joshimath, Chamoli, Uttarakhand – 246 443

For further details in relation to our Directors, see "*Our Management*" on page 284.

Company Secretary and Compliance Officer

Ekta Madan
India Habitat Centre, East Court
Core 4A, 1st Floor, Lodhi Road
New Delhi – 110 003
Delhi, India
Telephone: +91 11 2468 2206 / 2468 2219
E-mail: equityinvestor2023@ireda.in

Investor Grievances

Investors may contact the Company Secretary and Compliance Officer, BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related queries, grievances and for redressal of complaints including non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

All Offer-related grievances, other than that of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose a copy of the Acknowledgment Slip or provide the application number received from the Designated Intermediary(ies) in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All Offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders' DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

Book Running Lead Managers

IDBI Capital Markets & Securities Limited
6th Floor, IDBI Tower
WTC Complex
Cuffe Parade
Mumbai – 400 005, Maharashtra, India
Telephone: +91 22 2217 1953
E-mail: ireda.ipo@idbicapital.com
Investor Grievance E-mail:
redressal@idbicapital.com
Website: www.idbicapital.com
Contact Person: Indrajit Bhagat/ Suhas Satardekar
SEBI Registration Number: INM000010866

BOB Capital Markets Limited
1704, B Wing, 17th Floor
Parinee Crescenzo, Plot No.C- 38/39, G Block
Bandra Kurla Complex, Bandra East
Mumbai – 400 051, Maharashtra, India
Telephone: +91 22 6138 9353
E-mail: ireda.ipo@bobcaps.in
Investor Grievance E-mail:
investorgrievance@bobcaps.in
Website: www.bobcaps.in
Contact Person: Nivedika Chavan
SEBI Registration Number: INM000009926

SBI Capital Markets Limited
1501, 15th floor, A&B Wing
Parinee Crescenzo, G Block, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051, Maharashtra, India

Telephone: +91 22 4006 9807
E-mail: ireda.ipo@sbicaps.com
Investor grievance e-mail:
investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Vaibhav Shah
SEBI Registration Number: INM000003531

Registrar to the Offer

Link Intime India Private Limited
C 101, 1st Floor, 247 Park
L.B.S. Marg, Vikhroli West
Mumbai 400 083, Maharashtra, India
Telephone: +91 81 0811 4949
E-mail: indianrenergy@linkintime.co.in
Investor Grievance E-mail: indianrenergy@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration Number: INR000004058

Syndicate Members

Investec Capital Services (India) Private Limited
1103-04, 11th Floor, B Wing
Parinee Crescenzo Bandra Kurla Complex
Mumbai 400 051
Maharashtra, India
Telephone: +91 22 6849 7400
E-mail: kunal.naik@investec.co.in
Contact Person: Kunal Naik
SEBI Registration Number: INZ000007138
Website: www.investec.com/india.html

SBICAP Securities Limited
Marathon Futurex, B Wing
12th Floor, Unit No 1201
Lower Parel, Mumbai 400 013
Maharashtra, India
Telephone: +91-22-6931 6204
E-mail: archana.dedhia@sbicapsec.com
Contact Person: Archana Dedhia
SEBI Registration Number: INZ000200032
Website: www.sbisecurities.in

Legal counsel to our Company as to Indian Law

Saraf and Partners
2402, Tower 2, One International Center
Senapati Bapat Marg, Prabhadevi West
Mumbai 400013, Maharashtra, India
Telephone: +91 22 4405 0600

Statutory Auditors to our Company

DSP & Associates, Chartered Accountants
783, Desh Bandhu Gupta Road
Near Faiz Road Crossing, Karol Bagh
New Delhi – 110 005
Delhi, India
Telephone: +91 11 2368 4423

E-mail: dspdelhi@dspdelhi.in
Website: www.dspdelhi.in
Firm Registration Number: 006791-N
Peer Review Number: 013497

Changes in the Statutory Auditors

There has been no change in the statutory auditors of our Company during the three years preceding the date of this Prospectus.

Bankers to the Offer

Escrow Collection Bank and Refund Bank

Axis Bank Limited
Statesman House
148, Barakhamba Road
Delhi – 110 001
Telephone: 95828 00071
E-mail: newdelhi.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Priya Malhotra
SEBI Registration Number: INBI00000017

Public Offer Bank

HDFC Bank Limited
HDFC Bank Limited
FIG - OPS Department- Lodha
I Think Techno Campus, O-3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East), Mumbai – 400 042
Telephone: 022-3075 2927 / 28 / 2914
E-mail: siddharth.jadhav@hdfcbank.com/ eric.bacha@hdfcbank.com/ vikas.rahate@hdfcbank.com/ tushar.gavankar@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Siddharth Jadhav/ Eric Bacha/ Vikas Rahate/ Tushar Gavankar
SEBI Registration Number: INBI00000063

Sponsor Banks

Axis Bank Limited
Statesman House
148, Barakhamba Road
Delhi – 110 001
Telephone: 95828 00071
E-mail: newdelhi.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Priya Malhotra
SEBI Registration Number: INBI00000017

HDFC Bank Limited
HDFC Bank Limited
FIG - OPS Department- Lodha
I Think Techno Campus, O-3 Level
Next to Kanjurmarg Railway Station
Kanjurmarg (East), Mumbai – 400 042
Telephone: 022-3075 2927 / 28 / 2914
E-mail: siddharth.jadhav@hdfcbank.com/ eric.bacha@hdfcbank.com/ vikas.rahate@hdfcbank.com/ tushar.gavankar@hdfcbank.com

Website: www.hdfcbank.com
Contact Person: Siddharth Jadhav/ Eric Bacha/ Vikas Rahate/ Tushar Gavankar
SEBI Registration Number: INBI00000063

Bankers to our Company

YES Bank Limited
9, Nyaya Marg
Chanakyapuri, New Delhi 110 021
Delhi, India
Telephone: +91 9818555841 / +91 9810228230
E-mail: ritika.bansal@yesbank.in / pranay.ranjan@yesbank.in
Website: www.yesbank.in
Contact Person: Ritika Bansal

Bank of Baroda
Integrated Corporate Financial Services (ICFS) Branch, New Delhi
Bank of Baroda Building, 1st Floor
16, Sansad Marg, New Delhi – 110 001
Telephone: 011-2344 1551 / 1566 / 1559
E-mail: indel@bankofbaroda.com
Website: www.bankofbaroda.in
Contact Person: Ashwani Sharma

Designated Intermediaries

Self-Certified Syndicate Banks

The list of SCSBs notified by SEBI for the ASBA process is available at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a UPI Bidders using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time.

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, the UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time.

Syndicate SCSB Branches

In relation to Bids (other than Bids by Anchor Investor and RIBs) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 as updated from time to time.

Registered Brokers

Bidders can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, i.e. through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Expert to the Offer

Except as stated below, our Company has not obtained any expert opinions.

Our Company has received written consent dated November 6, 2023, from DSP & Associates, Chartered Accountants, holding a valid peer review certificate from the ICAI, to include their name in this Prospectus as required under Section 26 of the Companies Act read with SEBI ICDR Regulations and as "expert" as defined under Sections 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor and in respect of their (i) examination report dated October 25, 2023 on the Restated Financial Information; and (ii) report dated November 6, 2023 on the statement of possible special tax benefits included in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Monitoring Agency

As our Company is a public financial institution, we are not required to appoint a monitoring agency in relation to the Offer under Regulation 41 of the SEBI ICDR Regulations.

Green Shoe Option

No green shoe option is applicable for the Offer.

Appraising Entity

No appraising entity has been appointed in relation to the Offer.

IPO grading

No credit rating agency registered with SEBI has been appointed in respect of obtaining grading for the Offer.

Credit Rating

As this is an Offer of Equity Shares, credit rating is not required.

Debenture Trustees

As this is an Offer of Equity Shares, appointment of debenture trustees is not required.

Filing

A copy of the Draft Red Herring Prospectus was filed electronically through the SEBI intermediary portal at https://siportal.sebi.gov.in, as specified in Regulation 25(8) of the SEBI ICDR Regulations and in accordance with SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act, was filed with the RoC, and a copy of this Prospectus required to be filed under Section 26 of the Companies Act will be filed with the RoC through the electronic portal at https://www.mca.gov.in/mcafoportal/login.do.

Inter-se Allocation of Responsibilities among the Book Running Lead Managers

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

S. No.	Activity	Responsibility	Co-ordinator
1.	Due diligence of the Company including its operations/ management/ business plans/ legal, etc. Drafting and designing of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, Abridged Prospectus and Bid cum Application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with Stock Exchanges, RoC and SEBI including finalisation of RHP, Prospectus, Offer Agreement, Underwriting Agreements and RoC filing	BRLMs	IDBI Capital
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, *etc.*	BRLMs	IDBI Capital
3.	Drafting and approval of all statutory advertisements	BRLMs	IDBI Capital
4.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising, brochures, media monitoring, etc. Coordination for the filing of media compliance report with SEBI.	BRLMs	SBICAPS
5.	Appointment of intermediaries – Registrar to the Offer, advertising agency, Bankers to the Offer, Sponsor Banks, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries.	BRLMs	SBICAPS
6.	Preparation of road show presentation and frequently asked questions	BRLMs	SBICAPS
7.	International institutional marketing of the Offer, which will cover, *inter alia*: • Marketing strategy; • Finalising the list and division of investors for one-to-one meetings; and • Finalising international road show and investor meeting schedules.	BRLMs	SBICAPS
8.	Domestic institutional marketing of the Offer, which will cover, *inter alia*: • Marketing strategy; • Finalising the list and division of investors for one-to-one meetings; and • Finalising road show and investor meeting schedules.	BRLMs	BOBCAPS
9.	Non-institutional and retail marketing of the Offer, which will cover, *inter alia*: • Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows; • Finalising centers for holding conferences for brokers etc.; • Follow-up on distribution of publicity and offer materials including forms, the Prospectus and deciding on the quantum of the Offer materials; and • Finalising collection centres.	BRLMs	IDBI Capital
10.	Co-ordination with Stock Exchanges for book building software, anchor investor portion (if any), bidding terminals, mock trading and payment of 1% security deposit.	BRLMs	SBICAPS
11.	Managing the book, pricing presentation and finalisation of Offer Price in consultation with the Promoter Selling Shareholder and the Company.	BRLMs	BOBCAPS
12.	Post Offer activities, which shall involve: • essential follow-up steps advising the Company about the closure of the Offer based on the Bid file finalisation of the Basis of Allotment or weeding out of multiple applications, coordination for unblock of funds by SCSBs, listing of Equity Shares, demat credit and refund including co-ordination with various agencies connected with the	BRLMs	BOBCAPS

S. No.	Activity	Responsibility	Co-ordinator
	post-issue activity such as registrar to the Offer, bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable. • coordinating with Stock Exchanges and SEBI for release of 1% security deposit post-closure of the Offer. • Payment of applicable securities transaction tax on the sale of unlisted Equity Shares by the Promoter Selling Shareholder under the Offer for Sale included in the Offer to the GoI and filing of the securities transaction tax return by the prescribed due date as per Chapter VII of the Finance (no. 2) Act, 2004.		

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from bidders on the basis of the Red Herring Prospectus and the Bid Cum Application Forms and the Revision Forms. The Price Band and the minimum Bid Lot was determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers, and was advertised in all editions of Financial Express, an English national daily newspaper, all editions of Jansatta, a Hindi national daily newspaper (Hindi being the regional language of New Delhi where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and was made available to the Stock Exchanges for the purpose of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price was determined by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers after the Bid/Offer Closing Date. For details, see "*Offer Procedure*" on page 624.

All Bidders other than Anchor Investors participated in the Offer through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount were blocked by the SCSBs. In addition to this, the UPI Bidders participated in the Offer through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount were blocked by the SCSBs or using the UPI Mechanism. Anchor Investors were not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors were not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors were permitted to revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors were not permitted to withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) shall be on a proportionate basis while allocation to Anchor Investors shall be on a discretionary basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to changes from time to time, and the Bidders were advised to make their own judgment about investment through the aforesaid processes prior to submitting a Bid in the Offer.

Bidders should note that the Offer is also subject to (i) filing of this Prospectus by our Company with the RoC; and (ii) our Company obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details, see "*Terms of the Offer*" "*Offer Structure*" and "*Offer Procedure*" on pages 615, 620 and 624, respectively.

Underwriting Agreement

Our Company and the Promoter Selling Shareholder have entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated November 24, 2023. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name, address, telephone number and e-mail address of the Underwriters	Indicative Number of Equity Shares to be underwritten	Amount Underwritten (₹ in million)
IDBI Capital Markets & Securities Limited 6th Floor, IDBI Tower WTC Complex, Cuffe Parade Mumbai – 400 005, Maharashtra, India **Telephone:** +91 22 2217 1953 **E-mail:** ireda.ipo@idbicapital.com	223,980,393	7,167.37
BOB Capital Markets Limited 1704, B Wing, 17th Floor Parinee Crescenzo, Plot No.C- 38/39, G Block Bandra Kurla Complex, Bandra East Mumbai – 400 051, Maharashtra, India **Telephone:** +91 22 6138 9353 **E-mail:** ireda.ipo@bobcaps.in	223,980,392	7,167.37
SBI Capital Markets Limited 1501, 15th floor, A&B Wing Parinee Crescenzo, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India **Telephone:** +91 22 4006 9807 **E-mail:** ireda.ipo@sbicaps.com	223,980,192	7,167.36
Investec Capital Services (India) Private Limited 1103-04, 11th Floor, B Wing Parinee Crescenzo Bandra Kurla Complex Mumbai 400 051, Maharashtra, India **Tel**: +91 22 6849 7400 **E-mail**: kunal.naik@investec.co.in	100	0.003
SBICAP Securities Limited Marathon Futurex, B Wing 12th Floor, Unit No 1201, Lower Parel Mumbai 400 013, Maharashtra, India **Telephone**: +91-22-6931 6204 **E-mail**: archana.dedhia@sbicapsec.co	100	0.003
Total	**671,941,177**	**21,502.12**

The above-mentioned underwriting commitments are indicative and will be finalised after determination of the Basis of Allotment and actual allocation and are subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of the Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are merchant bankers registered with SEBI under Section 12(1) of the SEBI Act or registered as stock brokers with the Stock Exchanges. The Board at its meeting held on November 24, 2023, has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them in accordance with the Underwriting Agreement. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscriptions for/ subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

CAPITAL STRUCTURE

The equity share capital of our Company as on the date of this Prospectus is set forth below:

(In ₹, except share data)

Sr. No.	Particulars	Aggregate nominal value at face value	Aggregate value at Offer Price
A.	**AUTHORISED SHARE CAPITAL**[(1)]		
	6,000,000,000 Equity Shares of face value of ₹10 each	60,000,000,000	
B.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	2,284,600,000 Equity Shares of face value of ₹10 each	22,846,000,000	
C.	**PRESENT OFFER IN TERMS OF THIS PROSPECTUS**		
	Offer of 671,941,177* Equity Shares of face value of ₹10 each[(2)(3)]	6,719,411,770	21,502,117,664*
	which includes:		
	Fresh Issue of 403,164,706* Equity Shares[(2)]	4,031,647,060	12,901,270,592*
	Offer for Sale of 268,776,471* Equity Shares[(3)]	2,687,764,710	8,600,847,072*
	which includes:		
	Employee Reservation Portion of 1,875,420* Equity Shares[(4)]	18,754,200	60,013,440*
	Net Offer of 670,065,757* Equity Shares	6,700,657,570	21,442,104,224*
D.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	2,687,764,706* Equity Shares of face value of ₹10 each	26,877,647,060	
E.	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer (as on the date of this Prospectus)		Nil
	After the Offer		8,869,623,532*

** Subject to finalisation of Basis of Allotment*

(1) *For details in relation to the changes in the authorised share capital in the last 10 years of our Company, see "History and Certain Corporate Matters – Amendments to our Memorandum of Association" on page 279.*

(2) *The Offer has been authorised by a resolution of our Board of Directors at their meeting held on September 2, 2023 and the Fresh Issue has been authorised by a special resolution of our Shareholders dated September 4, 2023.*

(3) *Our Promoter Selling Shareholder, through its letter dated September 5, 2023, conveyed its consent to offer up to 268,776,471 Equity Shares as part of the Offer for Sale. Further, our Board has taken on record this consent letter of the Promoter Selling Shareholder for participation in the Offer for Sale pursuant to its resolution dated September 7, 2023. For details on the confirmation by the Promoter Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 589.*

(4) *Pursuant to resolution dated November 11, 2023, as passed by our Board, up to 1,875,420 Equity Shares have been reserved for allocation and Allotment on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion. For further details, see "Terms of the Offer", "Offer Procedure" and "Offer Structure" on pages 615, 624 and 620, respectively.*

Notes to the Capital Structure

1. ***Equity Share Capital History of our Company***

The history of the equity share capital of our Company is set forth in the table below.

S No.	Date of allotment	No. of equity shares allotted	Name(s) of allottee(s)	Nature of allotment	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
1.	June 25, 1987	20,000	19,993 equity shares were allotted to the President of India, 1 equity share each was allotted to Jagdish Sharan Baijal, Ram Roop Gupta, Satish Khurana, Bahadur Chand, Shamsur Rahman Faruqi, Chander Prakash Malhotra and the President of India through Secretary to the Government of India, Ministry of Energy, Department of Non-Conventional Energy Sources	Initial subscription to the MoA	1,000	1,000	Cash	20, 000	20,000,000
2.	December 30, 1987*	22,500	22,500 equity shares to the President of India, through Secretary to the Government of India, Ministry of Energy, Department of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	42,500	42,500,000
3.	August 4, 1988*	17,500	17,500 equity shares to the President of India, through Secretary to the Government of India, Ministry of Energy, Department of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	60,000	60,000,000
4.	March 15, 1989*	7,500	7,498 equity shares to the President of India, through Secretary to the Government of India, Ministry of Energy, Department of Non-Conventional Energy Sources, 1 equity share each to Arun Kumar and Ullal Vasudeva Bhat	Rights Issue	1,000	1,000	Cash	67,500	67,500,000
5.	December 7, 1989	16,000	16,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Energy, Department of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	83,500	83,500,000
6.	June 4, 1990	16,500	16,500 equity shares to the President of India, through Secretary to the Government of India, Ministry of Energy, Department of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	100,000	100,000,000
7.	April 19, 1993	40,000	40,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	140,000	140,000,000
8.	April 19, 1993	40,000	40,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Conversion of Loan	1,000	1,000	Cash	180,000	180,000,000

S No.	Date of allotment	No. of equity shares allotted	Name(s) of allottee(s)	Nature of allotment	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
9.	December 10, 1993	60,000	60,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	240,000	240,000,000
10.	May 20, 1994	2,000	2,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	242,000	242,000,000
11.	March 8, 1995	8,000	8,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	250,000	250,000,000
12.	May 3, 1995	133,500	133,500 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	383,500	383,500,000
13.	August 1, 1995	60,000	60,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	443,500	443,500,000
14.	September 16, 1995	120,000	120,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	563,500	563,500,000
15.	November 29, 1995	60,000	60,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	623,500	623,500,000
16.	November 20, 1996	140,000	140,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	763,500	763,500,000
17.	March 29, 1997	140,000	140,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	903,500	903,500,000
18.	November 25, 1997	80,000	80,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	983,500	983,500,000
19.	January 27, 1998	160,000	160,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	1,143,500	1,143,500,000
20.	July 20, 1998	136,700	136,700 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	1,280,200	1,280,200,000

S No.	Date of allotment	No. of equity shares allotted	Name(s) of allottee(s)	Nature of allotment	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
21.	September 30, 1998	263,300	263,300 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	1,543,500	1,543,500,000
22.	July 19, 1999	210,000	210,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	1,753,500	1,753,500,000
23.	October 11, 1999	210,000	210,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	1,963,500	1,963,500,000
24.	July 28, 2000	210,000	210,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	2,173,500	2,173,500,000
25.	March 30, 2001	60,000	60,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	2,233,500	2,233,500,000
26.	June 25, 2001	135,000	135,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	2,368,500	2,368,500,000
27.	January 28, 2002*	135,000	135,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	2,503,500	2,503,500,000
28.	September 20, 2002	175,000	175,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	2,678,500	2,678,500,000
29.	February 18, 2003	175,000	175,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	2,853,500	2,853,500,000
30.	July 9, 2003	66,600	66,600 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	2,920,100	2,920,100,000
31.	December 5, 2003	133,400	133,400 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	3,053,500	3,053,500,000
32.	March 26, 2004	200,000	200,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	3,253,500	3,253,500,000

S No.	Date of allotment	No. of equity shares allotted	Name(s) of allottee(s)	Nature of allotment	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
33.	February 17, 2005	500,000	500,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	3,753,500	3,753,500,000
34.	March 21, 2006	246,500	246,500 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	4,000,000	4,000,000,000
35.	August 8, 2007	400,000	400,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	4,400,000	4,400,000,000
36.	November 28, 2007	500,000	500,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of Non-Conventional Energy Sources	Rights Issue	1,000	1,000	Cash	4,900,000	4,900,000,000
37.	August 14, 2008	300,000	300,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	5,200,000	5,200,000,000
38.	July 27, 2009	66,000	66,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	5,266,000	5,266,000,000
39.	September 29, 2009	130,000	130,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	5,396,000	5,396,000,000
40.	May 14, 2010	83,300	83,300 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	5,479,300	5,479,300,000
41.	July 22, 2010	416,700	416,700 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	5,896,000	5,896,000,000
42.	May 13, 2011	500,000	500,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	6,396,000	6,396,000,000
43.	September 7, 2012	600,000	600,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	6,996,000	6,996,000,000
44.	June 19, 2013*	450,000	450,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	7,446,000	7,446,000,000

S No.	Date of allotment	No. of equity shares allotted	Name(s) of allottee(s)	Nature of allotment	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Cumulative number of equity shares	Cumulative paid-up equity share capital (₹)
45.	July 26, 2014	150,000	150,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	7,596,000	7,596,000,000
46.	October 22, 2014	250,000	250,000 equity shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	1,000	1,000	Cash	7,846,000	7,846,000,000
47.	November 28, 2017	Pursuant to a board resolution dated June 15, 2016 and shareholders' resolution dated November 28, 2017**,** each equity share of our Company of face value ₹1,000 was sub-divided into 100 Equity Shares of ₹10 each and accordingly the issued, subscribed and paid-up equity share capital of our Company was sub-divided from 7,846,000 equity shares of face value of ₹1,000 were split into 784,600,000 Equity Shares of face value of ₹10 each.							
48.	March 31, 2022	1,500,000,000	1,500,000,000 Equity Shares to the President of India, through Secretary to the Government of India, Ministry of New and Renewable Energy	Rights Issue	10	10	Cash	2,284,600,000	22,846,000,000

[*] Records of challan in relation to the form filings made by the Company with the RoC for the allotment of its equity shares are not traceable by the Company and accordingly reliance has only been placed on the form filings and the board resolutions approving such allotments. For further details, see "Risk Factor – Certain of our historical corporate records in connection with the allotment of our Equity Shares are not traceable. We cannot assure you that there will not be any imposition of penalty in the future in relation to these matters, which may impact our financial condition and reputation" on page 41.

2. *Preference share capital*

As on the date of this Prospectus, our Company does not have any preference share capital.

3. *Equity shares issued for consideration other than cash or out of revaluation reserves*

Our Company has not issued any equity shares for consideration other than cash or out of revaluation of reserves at any time since incorporation.

4. *Issue of Equity Shares at a price lower than the Offer Price in the last year*

Our Company has not issued any Equity Shares during the period of one year preceding the date of this Prospectus.

5. *Details of Equity Shares granted under employee stock option schemes*

Our Company does not have any employee stock option plan or employee stock purchase scheme for our employees.

6. *Issue of Equity Shares pursuant to scheme of arrangement*

Our Company has not issued or allotted any Equity Shares pursuant to any scheme of arrangement approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.

7. *Shareholding pattern of our Company*

The table below presents the shareholding pattern of our Company as on the date of this Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No. of fully paid-up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total No. of shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of Equity Shares (calculated as per SCRR) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Equity Shares underlying outstanding convertible securities (including warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted equity share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	No. of locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		No. of Equity Shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
								Class (Equity)	Class (Others)	Total								
(A)	Promoter and promoter group	1*	2,284,600,000	-	-	2,284,600,000	100.00	2,284,600,000	-	100.00	100.00	-	-				-	2,284,600,000
(B)	Public	-	-	-	-	-	-	-	-	-		-	-		-		-	-
I	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-		-	-		-		-	-
(C1)	Shares underlying depository receipts	-	-	-	-	-	-	-	-	-		-	-		-		-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-		-	-		-		-	-
	Total	1*	2,284,600,000	-	-	2,284,600,000	100.00	2,284,600,000	-	100.00	100.00	-	-				-	2,284,600,000

* *From the Equity Shares held by our Promoter in the Company, 100 Equity Shares of ₹10 each are held by certain nominees of our Promoter, namely, Ajay Yadav, Aseem Kumar, Dinesh Dayanand Jagdale, Mini Prasannakumar, Jeevan Kumar Jethani, J Rajesh Kumar and Prabir Kumar Dash.*

8. ***Other details of shareholding of our Company***

(a) As on the date of the filing of this Prospectus, our Company has one shareholder, our Promoter, who holds the Equity Shares along with seven nominee holders.

(b) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as on the date of this Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
1.	The President of India through Secretary, Ministry of New and Renewable Energy*	2,284,600,000	100.00
	Total	**2,284,600,000**	**100.00**

* *Including Equity Shares held by the nominees of our Promoter*

(c) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of 10 days prior to the date of this Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
2.	The President of India through Secretary, Ministry of New and Renewable Energy*	2,284,600,000	100.00
	Total	**2,284,600,000**	**100.00**

* *Including Equity Shares held by the nominees of our Promoter*

(d) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of one year prior to the date of this Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
3.	The President of India through Secretary, Ministry of New and Renewable Energy*	2,284,600,000	100.00
	Total	**2,284,600,000**	**100.00**

**Including Equity Shares held by the nominees of our Promoter*

(e) Set forth below is a list of Shareholders holding 1% or more of the paid-up equity share capital of our Company, on a fully diluted basis, as of two years prior to the date of this Prospectus:

S. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Offer Equity Share Capital (%)
4.	The President of India through Secretary, Ministry of New and Renewable Energy*	784,600,000	100.00
	Total	**784,600,000**	**100.00**

**Including Equity Shares held by the nominees of our Promoter*

(f) Our Company presently does not intend or propose and is not under negotiations or considerations to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise.

(g) As on the date of this Prospectus, there are no outstanding warrants, options, or rights to convert debentures, loans or other convertible instruments would entitle any person any option to receive Equity Shares of our Company.

(h) **Minimum Public Shareholding**

Subject to full subscription and Allotment of the Equity Shares in the Offer, our Company shall be in compliance with the minimum public shareholding requirement of 25% under Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957, as amended ("**SCRR**"), upon listing and post listing of the Equity Shares of our Company. Further, the post issue capital of our Company calculated at the offer price is estimated to be above four thousand crore rupees, in which case the minimum public shareholding requirement applicable to our Company shall be 10%, and our Company shall comply with such minimum public shareholding requirement as per proviso to Rule 19(2)(b)(iii) of SCRR i.e., our Company will increase its public shareholding to alteast 25% within a period of 3 years from the date of listing of our Equity Shares, in the manner as specified by SEBI.

9. ***Details of Shareholding of our Promoter in the Company***

(i) As on the date of this Prospectus, our Promoter holds 2,284,600,000 Equity Shares, equivalent to 100.00% of the issued, subscribed, and paid-up equity share capital of our Company out of which 2,284,599,300 Equity Shares are held by our Promoter, and Ajay Yadav, Aseem Kumar, Dinesh Dayanand Jagdale, Mini Prasannakumar, Jeevan Kumar Jethani, J Rajesh Kumar and Prabir Kumar Dash each hold 100 Equity Shares of ₹10 each as nominees of our Promoter.

(ii) All Equity Shares held by our Promoter are in dematerialized form as on the date of this Prospectus.

(iii) *Build-up of the Promoter's shareholding in our Company*

The build-up of the Equity Shareholding of our Promoter since incorporation of our Company is set forth in the table below:

Pre-Offer							Post-Offer
Name of Promoter	**Nature of transaction**	**Date of allotment**	**No. of equity shares allotted**	**Face value (₹)**	**Issue price per equity share (₹)**	**Percentage of pre-Offer capital (%)**	**Percentage of post-Offer capital (%)***
The President of India through Secretary, Ministry of New and Renewable Energy	Initial subscription to the MoA	June 25, 1987	20,000	1,000	1,000	0.09	0.07
	Rights Issue	December 30, 1987#	22,500	1,000	1,000	0.10	0.08
	Rights Issue	August 4, 1988#	17,500	1,000	1,000	0.08	0.07
	Rights Issue	March 15, 1989#	7,500	1,000	1,000	0.03	0.03

Pre-Offer							Post-Offer
Name of Promoter	**Nature of transaction**	**Date of allotment**	**No. of equity shares allotted**	**Face value (₹)**	**Issue price per equity share (₹)**	**Percentage of pre-Offer capital (%)**	**Percentage of post-Offer capital (%)***
	Rights Issue	December 7, 1989	16,000	1,000	1,000	0.07	0.06
	Rights Issue	June 4, 1990	16,500	1,000	1,000	0.07	0.06
	Rights Issue	April 19, 1993	40,000	1,000	1,000	0.18	0.15
	Conversion of Loan	April 19, 1993	40,000	1,000	1,000	0.18	0.15
	Rights Issue	December 10, 1993	60,000	1,000	1,000	0.26	0.22
	Rights Issue	May 20, 1994	2,000	1,000	1,000	0.01	0.01
	Rights Issue	March 8, 1995	8,000	1,000	1,000	0.04	0.03
	Rights Issue	May 3, 1995	133,500	1,000	1,000	0.58	0.50
	Rights Issue	August 1, 1995	60,000	1,000	1,000	0.26	0.22
	Rights Issue	September 16, 1995	120,000	1,000	1,000	0.53	0.45
	Rights Issue	November 29, 1995	60,000	1,000	1,000	0.26	0.22
	Rights Issue	November 20, 1996	140,000	1,000	1,000	0.61	0.52
	Rights Issue	March 29, 1997	140,000	1,000	1,000	0.61	0.52
	Rights Issue	November 25, 1997	80,000	1,000	1,000	0.35	0.30
	Rights Issue	January 27, 1998	160,000	1,000	1,000	0.70	0.60
	Rights Issue	July 20, 1998	136,700	1,000	1,000	0.60	0.51
	Rights Issue	September 30, 1998	263,300	1,000	1,000	1.15	0.98
	Rights Issue	July 19, 1999	210,000	1,000	1,000	0.92	0.78
	Rights Issue	October 11, 1999#	210,000	1,000	1,000	0.92	0.78
	Rights Issue	July 28, 2000	210,000	1,000	1,000	0.92	0.78

Pre-Offer							Post-Offer
Name of Promoter	**Nature of transaction**	**Date of allotment**	**No. of equity shares allotted**	**Face value (₹)**	**Issue price per equity share (₹)**	**Percentage of pre-Offer capital (%)**	**Percentage of post-Offer capital (%)***
	Rights Issue	March 30, 2001	60,000	1,000	1,000	0.26	0.22
	Rights Issue	June 25, 2001	135,000	1,000	1,000	0.59	0.50
	Rights Issue	January 28, 2002#	135,000	1,000	1,000	0.59	0.50
	Rights Issue	September 20, 2002	175,000	1,000	1,000	0.77	0.65
	Rights Issue	February 18, 2003	175,000	1,000	1,000	0.77	0.65
	Rights Issue	July 9, 2003	66,600	1,000	1,000	0.29	0.25
	Rights Issue	December 5, 2003	133,400	1,000	1,000	0.58	0.50
	Rights Issue	March 26, 2004	200,000	1,000	1,000	0.88	0.74
	Rights Issue	February 17, 2005	500,000	1,000	1,000	2.19	1.86
	Rights Issue	March 21, 2006	246,500	1,000	1,000	1.08	0.92
	Rights Issue	August 8, 2007	400,000	1,000	1,000	1.75	1.49
	Rights Issue	November 28, 2007	500,000	1,000	1,000	2.19	1.86
	Rights Issue	August 14, 2008	300,000	1,000	1,000	1.31	1.12
	Rights Issue	July 27, 2009	66,000	1,000	1,000	0.29	0.25
	Rights Issue	September 29, 2009	130,000	1,000	1,000	0.57	0.48
	Rights Issue	May 14, 2010	83,300	1,000	1,000	0.36	0.31
	Rights Issue	July 22, 2010	416,700	1,000	1,000	1.82	1.55
	Rights Issue	May 13, 2011	500,000	1,000	1,000	2.19	1.86
	Rights Issue	September 7, 2012	600,000	1,000	1,000	2.63	2.23
	Rights Issue	June 19, 2013#	450,000	1,000	1,000	1.97	1.67

Pre-Offer							Post-Offer
Name of Promoter	**Nature of transaction**	**Date of allotment**	**No. of equity shares allotted**	**Face value (₹)**	**Issue price per equity share (₹)**	**Percentage of pre-Offer capital (%)**	**Percentage of post-Offer capital (%)***
	Rights Issue	July 26, 2014	150,000	1,000	1,000	0.66	0.56
	Rights Issue	October 22, 2014	250,000	1,000	1,000	1.09	0.93
	Pursuant to a board resolution dated June 15, 2016 and shareholders' resolution dated November 28, 2017**,** each equity share of the Company of face value ₹1,000 was sub-divided into 100 Equity Shares of ₹10 each and accordingly the issued, subscribed and paid-up equity share capital of the Company was sub-divided from 7,846,000 equity shares of face value of ₹1,000 were split into 784,600,000 Equity Shares of face value of ₹10 each, constituting 34.34% of pre-Offer share capital of the Company						
	Rights Issue	March 31, 2022	1,500,000,000	10	10	65.66	55.81
	-	**Total**	**2,284,600,000**	**-**	**-**	**100.00**	**85.00**

** Subject to finalisation of Basis of Allotment*
[#] Records of challan in relation to the form filings made by the Company with the RoC for the allotment of its equity shares are not traceable by the Company and accordingly reliance has only been placed on the form filings and the board resolutions approving such allotments. For further details, see "Risk Factor – Certain of our historical corporate records in connection with the allotment of our Equity Shares are not traceable. We cannot assure you that there will not be any imposition of penalty in the future in relation to these matters, which may impact our financial condition and reputation" on page 41.
Note: From the Equity Shares held by our Promoter in the Company, 100 Equity Shares of ₹10 each are held by certain nominees of our Promoter, namely, Ajay Yadav, Aseem Kumar, Dinesh Dayanand Jagdale, Mini Prasannakumar, Jeevan Kumar Jethani, J Rajesh Kumar and Prabir Kumar Dash.

(iv) The pre-Offer and post-Offer details of the equity shareholding of our Promoter as on the date of this Prospectus are as follows:

S No.	**Name of Shareholder**	**Pre-Offer equity share capital**		**Post-Offer equity share capital**	
		No. of Equity Shares held	**% of total paid up pre-offer equity share capital**	**No. of Equity Shares held***	**% of total paid up post-offer equity share capital***
1.	The President of India through Secretary, Ministry of New and Renewable Energy	2,284,600,000	100.00	2,015,823,529	75.00
	Total	**2,284,600,000**	**100.00**	**2,015,823,529**	**75.00**

** Subject to finalisation of Basis of Allotment*
Note: From the Equity Shares held by our Promoter in the Company, 100 Equity Shares of ₹10 each are held by certain nominees of our Promoter, namely, Ajay Yadav, Aseem Kumar, Dinesh Dayanand Jagdale, Mini Prasannakumar, Jeevan Kumar Jethani, J Rajesh Kumar and Prabir Kumar Dash.

(v) All the Equity Shares held by our Promoter were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares. Further, none of the Equity Shares held by our Promoter are pledged.

10. ***Details of Promoter's contribution and lock-in***

(i) Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer equity share capital of our Company held by the Promoter shall be locked in for a period of 18 months as minimum promoter's contribution from the date of Allotment or such other period as may be prescribed under the SEBI ICDR Regulations ("**Promoter's Contribution**"), and the Promoter's shareholding in excess of 20% of the fully diluted post-Offer equity share capital shall be locked in for a period of six months from the date of Allotment or such other period as may be prescribed under the SEBI ICDR Regulations.

(ii) The details of the Equity Shares to be locked-in for 18 months from the date of Allotment as Promoters' Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post-Offer paid-up capital (%)*	Date up to which the Equity Shares are subject to lock-in
The President of India through Secretary, Ministry of New and Renewable Energy	March 31, 2022	Rights Issue	1,500,000,000	10	10	537,552,942	20.00%	May 30, 2025
	Total					537,552,942	20.00%	

** Subject to finalisation of Basis of Allotment*

For details on the build-up of the Equity Share capital held by our Promoter, see "— *Build-up of the Promoter's shareholding in our Company*" on page 105.

(iii) Our Promoter has given its consent to include such number of Equity Shares held by them as part of the Promoter's Contribution, subject to lock-in requirement as specified under Regulation 14 of the SEBI ICDR Regulations. Our Promoter has agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing of this Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(iv) Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoter's Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(a) The Equity Shares offered for Promoters' Contribution do not include (a) Equity Shares acquired in the three years immediately preceding the date of this Prospectus for consideration other than cash, and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or capitalisation profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of Promoter's Contribution;

(b) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(c) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Prospectus pursuant to conversion from a partnership firm; and

(d) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge or any other form of encumbrance.

11. ***Details of other Equity Shares locked-in***

(i) In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital of our Company will be locked-in for a period of six months from the date of Allotment in the Offer including any unsubscribed portion of the Offer for Sale offered by the Promoter Selling Shareholder, except (a) the Promoters' Contribution which shall be locked in as above, and (b) Offered Shares, which are successfully sold and transferred as part of the Offer for Sale.

(ii) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository. Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

(iii) (a) Pursuant to Regulation 21(a) of the SEBI ICDR Regulations, the Equity Shares held by our Promoter, which shall be locked-in for a period of 18 months from the date of Allotment (as mentioned above) and (b) Pursuant to Regulation 21(b) of the SEBI ICDR Regulations, the Equity Shares held by our Promoter which is locked-in for a period of six months from the date of Allotment, may be pledged as collateral security for loans granted by scheduled commercial banks, public financial institutions, Systemically Important NBFC or housing finance companies, provided that such loans have been granted by such bank or institution for the purpose of financing one or more of the objects of the Offer and pledge of the Equity Shares is one of the terms of sanction of such loans.

(iv) In terms of Regulation 22 of the SEBI ICDR Regulations, (a) the Equity Shares held by the Promoter, which are locked-in may be transferred to any new promoter or persons in control of our Company and (b) the Equity Shares held by persons other than the Promoter and locked-in for a period of six months from the date of Allotment as prescribed under the SEBI ICDR Regulations in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period and compliance with the SEBI Takeover Regulations.

12. ***Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors***

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner:

There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

13. Our Promoter and Directors of the Company or any of their relatives have not purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Prospectus.

14. There have been no financing arrangements whereby our Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of filing of this Prospectus.

15. Neither our Company, nor any of our Directors nor the BRLMs have entered into any buyback arrangements for purchase of equity shares from any person.

16. As on the date of this Prospectus, the BRLMs and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

17. All Equity Shares transferred pursuant to the Offer will be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Prospectus.

18. Our Promoter shall not participate in the Offer, except by way of participation as Promoter Selling Shareholder in the Offer for Sale.

19. Except for the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner for a period of six months from the Bid/Offer Opening Date or all application monies have been refunded, as the case may be.

20. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

21. No person connected with the Offer, including, but not limited to, the members of the Syndicate, our Company, the Directors, and the Promoter, shall offer or make payment of any incentive, direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

22. Our Company shall ensure that transactions in the Equity Shares by our Promoter between the date of filing of the Draft Red Herring Prospectus and the date of closure of the Offer shall be intimated to the Stock Exchanges within 24 hours of such transaction.

SECTION IV: PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

The Offer comprises the Fresh Issue and the Offer for Sale.

Offer for Sale

The Offer for Sale of 268,776,471* Equity Shares aggregating to ₹8,600.85 million* by the Promoter Selling Shareholder. Our Company will not receive any proceeds from the Offer for Sale. Further, the proceeds of the Offer for Sale shall be received by the Promoter Selling Shareholder and will not form part of the Net Proceeds. For further details, see "– *Offer Expenses*" on page 113.

** Subject to finalisation of Basis of Allotment*

Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards augmenting our capital base to meet future capital requirements and onward lending (referred to herein as the "**Objects**").

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us: (i) to undertake our existing business activities; and (ii) to undertake the activities proposed to be funded from the Net Proceeds. Further, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including to enhance our brand image among our existing and potential customers and creation of a public market for the Equity Shares in India.

Net Proceeds

The details of the Net Proceeds from the Fresh Issue are summarised in the following table:

(In ₹ million)

Particulars	Estimated Amount
Gross proceeds of the Fresh Issue	12,901.27*
Less: Fresh Issue related expenses**	311.76
Net Proceeds	**12,589.51**

** Subject to finalisation of Basis of Allotment*
*** For further details, see "– Offer Expenses" on page 113.*

Schedule for deployment and utilisation of the Net Proceeds from the Fresh Issue

The Net Proceeds from the Fresh Issue are proposed to be deployed in the Financial Year 2024 and 2025.

The fund requirement, deployment of funds and the intended use of the Net Proceeds as described herein are based on management estimates, current circumstances of our business and prevailing market conditions. The requirement and deployment of funds described herein have not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as financial and market conditions, competition, business and strategy and interest/ exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, see "*Risk Factors – The Net Proceeds might not be applied in ways that increase the value of your investment. Further, it is not subject to any monitoring by any independent agency*" on page 67.

Details of the Objects of the Fresh Issue

The details of utilisation of the Net Proceeds from the Fresh Issue are set forth below:

Augmenting our capital base to meet our future capital requirements and onward lending

We are a financial institution with more than 36 years of experience in the business of promoting, developing and extending financial assistance for new and renewable energy projects, and energy efficiency and conservation projects. We provide a comprehensive range of financial products and related services, from project conceptualisation to post-commissioning, for renewable energy projects and other value chain activities, such as equipment manufacturing and transmission.

For further details, see "*Our Business*" on page 219. As an NBFC, we are subject to regulations relating to capital adequacy which determine the minimum amount of capital we must hold as a percentage of the risk-weighted assets on our portfolio and of the risk adjusted value of off-balance sheet items, as applicable. Under RBI prudential norms, we, as a government owned NBFC, are required to maintain capital to risk weighted asset ratio ("**CRAR**") of 15%.

The following table sets out our capital adequacy ratios computed on the basis of applicable RBI requirements as of March 31, 2021, 2022, 2023 and as of September 30, 2022, and September 30, 2023:

(₹ in million, except percentages)

	As of March 31,			**As at September 30, 2022**	**As at September 30, 2023**
	2021	**2022**	**2023**		
Tier 1 Capital	27,840.78	48,145.15	54,895.62	52,171.03	62,973.78
Tier 2 Capital	9,095.32	9,911.78	10,860.62	9,781.07	9,888.22
Total Capital	36,936.10	58,056.93	65,756.24	61,952.10	72,862.00
Tier 1 Capital Adequacy Ratio (%)	12.91%	17.60%	15.71%	19.83%	18.08%
Tier 2 Capital Adequacy Ratio (%)	4.21%	3.62%	3.11%	3.72%	2.84%
CRAR (%)	17.12%	21.22%	18.82%	23.55%	20.92%

As we continue to grow our loan portfolio and asset base, we will require additional capital in order to continue to meet the applicable CRAR requirements with respect to the growth in our Company's business and assets. Accordingly, an amount aggregating to ₹12,589.51 million (subject to finalisation of Basis of Allotment) out of our Net Proceeds is proposed to be utilised for augmenting our Company's capital base to meet our future capital requirements and onward lending.

Funding Plan (Means of Finance)

The entire requirement of funds towards the objects of the Offer will be met from the Net Proceeds. Accordingly, as required under the SEBI ICDR Regulations, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Net Proceeds.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹471.62 million. The Offer related expenses comprise listing fees, underwriting commission, selling commission and brokerage, fees payable to the BRLMs, Statutory Auditors, legal counsel, Registrar to the Offer, Escrow Bank and Sponsor Banks to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, SCSBs fees, printing and stationery expenses, statutory advertising expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

All Offer related expenses shall be borne by our Company and the Promoter Selling Shareholder through the DIPAM. However, expenses in relation to:

(i) the filing fees to SEBI;

(ii) NSE/BSE charges for use of software for the book building;

(iii) payments required to be made to Depositories or the Depository Participants for transfer of shares to the beneficiaries' account; and

(iv) payments required to be made to Stock Exchanges for initial processing, filing and listing of the Equity Shares, if any.

shall be payable by the Book Running Lead Managers but on a reimbursable basis from our Company/ Promoter Selling Shareholder through the DIPAM as per actuals against an invoice. However, expenses in relation to printing and distribution of stationery, the CARE Report and cost of preparation of statutory advertisements shall be borne by the BRLMs. All the expenses in relation to organizing road shows shall be borne by the BRLMs, except for the tour expenses of Government and Company officials.

The Offer expenses shall be shared, upon successful completion of the Offer, between our Company and the Promoter Selling Shareholder, on a pro rata basis in proportion to the Equity Shares issued and Allotted by our Company in the Fresh Issue and the Equity Shares transferred by the Promoter Selling Shareholder in the Offer for Sale. In the event that the Offer is withdrawn for any reason, all the Offer related expenses shall be borne by Company and the Promoter Selling Shareholder, on a pro rata basis in proportion to the Equity Shares proposed to be issued by our Company in the Fresh Issue and the Equity Shares offered by the Promoter Selling Shareholder in the Offer for Sale. Any payment made by the Company in relation to the Offer expenses on behalf of the Promoter Selling Shareholder shall be reimbursed by the Promoter Selling Shareholder.

The break-down for the estimated Offer expenses are as follows:

Activity	Estimated expenses (in ₹ million)(1)	As a % of the total estimated Offer expenses(1)	As a % of the total Offer size(1)
BRLMs' fees and commissions (including underwriting commission, brokerage and selling commission)	115.01	24.39%	0.53%
Commission and processing fees for SCSBs, Sponsor Banks, brokerage, bidding charges and selling commission for Syndicate Members, Registered Brokers, RTAs and CDPs(2)(3)(4)	37.10	7.87%	0.17%
Fees payable to Registrar to the Offer	0.00*	0.00%	0.00%
Fees payable to Legal advisors to the Offer	18.48	3.92%	0.09%
Fees payable to auditors and other consultants	2.83	0.60%	0.01%
Advertising and marketing expenses for the Offer	173.78	36.85%	0.81%
Regulators including SEBI, Stock Exchanges fees book building software fees, listing fees and other regulatory expenses	111.88	23.72%	0.52%
Miscellaneous	12.53	2.66%	0.06%
Total estimated Offer expenses	**471.62**	**100.00%**	**2.19%**

** The fees payable to the Registrar to the Offer is ₹1.*

(1) *Offer expenses include goods and services tax, where applicable. Offer expenses are estimates and are subject to change.*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Investors, Eligible Employees and Non-Institutional Investors, which are directly procured and uploaded by SCSBs would be as follows:*

*Portion for Retail Individual Investors**	*0.35% of the Amount Allotted (plus applicable taxes)**
*Portion for the Eligible Employees**	*0.25% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Investors**	*0.15% of the Amount Allotted (plus applicable taxes)**

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price*

The selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE.

No additional processing/uploading charges shall be payable by our Company and the Promoter Selling Shareholder to the SCSBs on the applications directly procured by them.

(3) *SCSBs will be entitled to a processing fee for processing the valid ASBA Form procured by the members of the Syndicate (including their sub-Syndicate Members), Registered Broker, RTAs or CDPs and submitted to the SCSBs for blocking from Retail Individual Investors, Eligible Employees and Non-Institutional Bidders (excluding UPI Bidders), as follows:*

*Portion for Retail Individual Investors**	*₹10 per valid application (plus applicable taxes)*
*Portion for the Eligible Employees**	*₹10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹10 per valid application (plus applicable taxes)*

* *Based on valid ASBA Forms*

The total processing fee entitled to SCSBs for processing ASBA Forms will be subject to a maximum cap of ₹0.10 million (plus applicable taxes). In case the total ASBA processing charges payable to SCSBs exceeds ₹0.10 million (plus applicable taxes), the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total ASBA processing charges payable does not exceed ₹0.10 million.

(4) *Selling commission on the portion for UPI Bidders using the UPI Mechanism, Non-Institutional Bidders(excluding UPI Bids) and Eligible Employee(s) which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:*

*Portion for Retail Individual Investors**	*0.35% of the Amount Allotted (plus applicable taxes)**
*Portion for the Eligible Employees**	*0.25% of the Amount Allotted (plus applicable taxes)**
*Portion for Non-Institutional Investors**	*015% of the Amount Allotted (plus applicable taxes)**

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The selling commission payable to the Syndicate / Sub-Syndicate Members will be determined:

a. For RIBs, Eligible Employees and Non-Institutional Bidders (up to ₹500,000) on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

b. For Non-Institutional Bidders (Bids above ₹500,000) on the basis of the Syndicate ASBA Form bearing SM Code & Sub-Syndicate Code of the application form submitted to SCSBs for Blocking of the Fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB. The payment of selling commission payable to the sub-brokers / agents of sub-syndicate members are to be handled directly by the respective sub-syndicate member.

Selling commission/ uploading charges payable to the Registered Brokers on the portion for UPI Bidders procured through UPI Mechanism, Non-Institutional Bidders and Eligible Employee(s) which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for Retail Individual Investors**	*₹10 per valid application (plus applicable taxes)**
*Portion for the Eligible Employees**	*₹10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹10 per valid application (plus applicable taxes)*

* *Based on valid applications*

The total bidding charges payable to Registered Brokers will be subject to a maximum cap of ₹0.10 million (plus applicable taxes). In case the total selling commission payable to Registered Brokers exceeds ₹0.10 million, then the amount payable to Registered Brokers would be proportionately distributed based on the number of valid applications such that the total selling commission payable does not exceed ₹0.10 million.

Uploading charges/ processing fees for applications made by UPI Bidders using the UPI Mechanism would be as under:

Members of the Syndicate / RTAs / CDPs	*Nil*
Sponsor Banks	*Sponsor Banks will be entitled to processing fee of ₹ NIL per valid ASBA Form for Bids made by UPI Bidders using the UPI Mechanism. The Sponsor Banks shall be responsible for making payments to third parties such as the remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, amendments, the Syndicate Agreement and other applicable laws.*

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate/ sub-Syndicate Member shall not be able to Bid the Application Form above ₹5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum application form with a heading/ watermark "Syndicate ASBA" may be used by Syndicate/ sub-Syndicate Member along with SM code and broker code mentioned on the Bid-cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for RIB and NIB bids up to ₹5 lakhs will not be eligible for brokerage. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 read with SEBI master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Banks Agreement.

Interim use of Net Proceeds

Our Company, in accordance with the policies established by the Board from time to time, will have the flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, our Company will deposit the Net Proceeds only with one or more scheduled commercial banks included in the second schedule of the RBI Act as may be approved by our Board or committees thereof.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company or for any investment in equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Prospectus, which are proposed to be repaid from the Net Proceeds.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution.

Monitoring utilisation of funds

Our Company has been classified as a public financial institution under the provisions of the Companies Act, 1956, and is registered with the RBI as a Systemically Important Non-Deposit-taking Non-Banking Finance Company ("**NBFC-ND-SI**"), with Infrastructure Finance Company ("**IFC**") status. On account of being a public financial institution, our Company is not required to appoint a monitoring agency in relation to the Offer under Regulation 41 of the SEBI ICDR Regulations.

Pursuant to Regulation 18(3) of the SEBI Listing Regulations and SEBI circular number CIR/CFD/CMD1/162/2019 dated December 24, 2019, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and application of the Net Proceeds, and the Audit Committee shall make recommendations to our Board for further action, as appropriate. Our Company shall also, on a quarterly basis, prepare a statement of funds utilised for purposes other than those stated in this Prospectus and place it before the Audit Committee. After review of such statement, the comments of Audit Committee along with the report shall be disclosed/ submitted to the Stock Exchanges in the prescribed format. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the Statutory Auditors of our Company. Furthermore, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement including material deviations, if any, in the utilisation of the Net Proceeds from the Fresh Issue in line with the objects of the Offer, as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our director's report, after placing the same before the Audit Committee. Comments or reports will also be submitted to the Stock Exchanges on utilisation of the Net Proceeds. We will disclose the utilisation of the Net Proceeds under a separate head along with details in our balance sheet until such time as the Net Proceeds remain unutilised, clearly specifying the purpose for which such Net Proceeds have been utilised.

Variation in Objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Offer without our Company being authorised to do so by our Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to our Shareholders in relation to the passing of such special resolution (the "**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi (Hindi being the regional language of New Delhi, where our Registered Office is located), each with wide circulation. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as prescribed in Regulation 59 and Schedule XX of the SEBI ICDR Regulations.

Other Confirmations

Except to the extent of the proceeds received by the Promoter Selling Shareholder pursuant to the Offer for Sale, none of our Promoter, Directors, Key Managerial Personnel or Senior Management Personnel will receive any portion of the Offer Proceeds. Further, except in the ordinary course of business, there is no existing or anticipated interest of such individuals and entities in the objects of the Offer as set out above.

BASIS FOR OFFER PRICE

The Price Band was determined by our Company and the Promoter Selling Shareholder in consultation with the BRLMs. The Offer Price was determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is 3.20 times the face value of the Equity Shares.

For further details, see "*Risk Factors*", "*Our Business*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 34, 219, 321 and 520, respectively.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

- Track record of growth, geared towards high quality assets, diversified asset book and stable profitability.
- Strategic role in Government of India initiatives in the Renewable Energy sector.
- Established and trusted brand name operating in a rapidly expanding sector.
- Digitized process for borrower centricity and operational scalability, with presence across India.
- Comprehensive data-based credit appraisal process and risk-based pricing, with efficient post-disbursement project monitoring and recovery processes.
- Access to diversified and cost-effective long-term sources of borrowing with a judicious approach towards asset-liability management.
- Experienced senior management with in-depth sector expertise and professionally qualified employee base.

For further details, see "*Our Business – Competitive Strengths*" on page 222.

Quantitative factors

The information presented below relating to our Company is based on the Restated Financial Information. For further details, see "*Restated Financial Information*" on page 321.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

A. **Basic and Diluted Earnings per Share ("EPS") at face value of ₹10 each**

Year/period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
September 30, 2023 (Standalone)*	2.54	2.54	-
September 30, 2022 (Standalone)*	1.80	1.80	-
March 31, 2023 (Standalone)	3.78	3.78	3
March 31, 2022 (Standalone)	8.03	8.03	2
March 31, 2021 (Consolidated)	4.41	4.41	1
Weighted average	**5.30**	**5.30**	

** Not annualized*

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/ Total of weights*
2. *Earning per shares (EPS) calculation is in accordance with the notified Indian Accounting Standard (Ind AS) 33 'Earnings per share prescribed by the Companies (Indian Accounting Standards) Rules, 2015. The ratios have been computed as below:*
   a) *Basic earnings per share (₹) = Net profit after tax attributable to owners of our Company, as restated/ weighted average number of equity shares at the end of the year/period*

b) *Diluted earnings per share (₹) = Net profit after tax attributable to owners of our Company, as restated/ weighted average number of potential equity shares at the end of the year/period*

3. *The figures disclosed above are based on the Restated Financial Information of the Company.*

B. Price/earning ("P/E") ratio in relation to the Offer Price

Particulars	P/E at the Offer Price (no. of times)
Based on basic EPS of ₹3.78 as per the Restated Financial Information for the year ended March 31, 2023	8.47
Based on diluted EPS of ₹3.78 as per the Restated Financial Information for the year ended March 31, 2023	8.47

C. Industry peer group P/E ratio

Particulars	P/E ratio (number of times)
Highest	7.71
Lowest	4.79
Average	6.25

Note: The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see "– Comparison of accounting ratios with listed industry peers" on page 120.

D. Industry price/book ("P/B") ratio

Particulars	P/B ratio (number of times)
Highest	1.48
Lowest	0.68
Average	1.08

Note: The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/B of the industry peer set disclosed in this section. For further details, see "– Comparison of accounting ratios with listed industry peers" on page 120.

E. Return on net worth ("RoNW")

As per the Restated Financial Information:

Financial Year/Period ended	RoNW (%)	Weight
September 30, 2023 (Standalone)*	9.26	-
September 30, 2022 (Standalone)*	7.52	-
March 31, 2023 (Standalone)	15.43	3
March 31, 2022 (Standalone)	15.33	2
March 31, 2021 (Consolidated)	12.56	1
Weighted average	**14.91**	

** Not annualized*

Notes:

1. *Weighted average RoNW = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year / Total of weights*
2. *RoNW (%) = Net profit after tax attributable to the owners of our Company, as restated divided by restated average net worth as restated as at year/period end.*
3. *'Net worth' under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.*

F. **Net asset value per Equity Share (face value of ₹10 each)**

Net asset value per Equity Share	Consolidated (₹)
As on September 30, 2023	28.80
As on September 30, 2022	24.68
As on March 31, 2023	25.98
At Offer Price	29.28

Notes:

1. *Net asset value per Equity Share (₹): Net worth as restated as per the Restated Financial Information divided by total number of Equity Shares outstanding at the end of the year/period.*
2. *'Net worth' under Ind-As: Net worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation as on September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021, in accordance with Regulation 2(1)(hh) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.*
3. *Net asset value per Equity Share at Offer Price is calculated without considering any issue related expenses and based upon September 30, 2023.*

G. **Comparison of accounting ratios with listed industry peers**

Name of Company	Face value (₹ per share)	EPS (₹ per share)		NAV(4) (₹ per share)	P/E(5)	P/B(6)	RoNW(7) (%)
		Basic(2)	Diluted(3)				
Company							
Indian Renewable Energy Development Agency Limited#	10.00	3.78	3.78	25.98	8.47	1.23	15.43%
Peers							
REC Limited(1)	10.00	42.28	42.28	220.72	7.71	1.48	20.41%
Power Finance Corporation(1)	10.00	60.19	60.19	424.16	4.79	0.68	20.34%

 # Financial information of our Company has been derived from the Restated Financial Information as at or for financial year ended March 31, 2023. Listed peer companies are in the business of financing in RE and Non RE power segment.

Notes for listed peers:

(1) *All the financial information for listed industry peers mentioned above on a consolidated basis and is sourced from the annual reports for the year ended March 31, 2023.*
(2) *Basic EPS sourced from the annual report of the peers for the year ended March 31, 2023.*
(3) *Diluted EPS sourced from the annual report of the peers for the year ended March 31, 2023.*
(4) *NAV is computed as the closing net worth divided by the closing outstanding number of equity shares as on March 31, 2023.*
(5) *P/E Ratio for the listed industry peers has been computed based on the closing market price of equity shares on November 10, 2023 on NSE, divided by the Diluted EPS provided under Note 3 above.*
(6) *P/B ratio for the listed industry peers has been computed based on the closing market price of equity shares on NSE as on November 10, 2023 divided by the net asset value per equity share, as on March 31, 2023.*
(7) *Return on net worth (RoNW) is computed as total profit/ (loss) (including profit attributable to non-controlling interest for the year divided by Average net worth (including non-controlling interest) as at March 31, 2023. Average of the total equity (including non-controlling interest) attributable to the equity shareholders of our Company at the beginning and ending of the year.*

H. **Key Performance Indicators ("KPIs")**

The KPIs disclosed below have been used historically by our Company to understand and analyze our business performance, which in result, help us in analyzing the growth of business verticals in comparison to our peers. Our Company considers that the KPIs set forth below are the ones that have a bearing for arriving at the basis for the Offer Price. The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated November 1, 2023. Further, the members of our Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years prior to the date of filing of this Prospectus. Further, the KPIs disclosed herein have been certified by DSP & Associates, Chartered Accountants, our Statutory Auditors, pursuant to the certificate dated November 6, 2023. For details of our other operating metrics disclosed elsewhere in this Prospectus, see "*Our Business*", and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 219 and 520, respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of Directors of our Company), until the later of (a) one year after the date of listing of the Equity Shares on the Stock Exchanges; and (ii) complete utilisation of the proceeds of the Offer as disclosed in "*Objects of the Offer*" on page 112, or for such other duration as may be required under the SEBI ICDR Regulations.

I. Details of our KPIs as at and for the six months ended September 30, 2023 and September 30, 2022, and for the Financial Years ended March 31 2023, March 31, 2022 and March 31, 2021:

(₹ in million, except percentages and ratios)

Key Performance Indicators/ KPIs	Period ended September 30, 2023	Period ended September 30, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Operations					
Gross Loan Portfolio (GLP) or Term Loans Outstanding(1)	475,144.83	337,833.59	470,755.21	339,306.06	278,539.21
GLP Growth(2)	0.93%	(0.43)%	38.74%	21.82%	18.29%
Loans Sanctioned(3)	47,445.03	117,654.01	325,866.05	239,210.62	110,013.00
Loans Disbursed(4)	62,732.52	40,063.06	216,392.07	160,708.22	88,283.53
Asset Quality					
Gross NPA(5)	3.13%	5.06 %	3.21%	5.21%	8.77%
Net NPA(6)	1.65%	2.72 %	1.66%	3.12%	5.61%
Provision Coverage Ratio(7)	48.11%	47.58%	49.25%	41.45%	38.14%
Slippage Ratio(8)	0.10%	0.03%	0.02%	0.10%	2.09%
Credit cost ratio(9)	1.51%	2.40%	1.84%	2.37%	3.62%
Return Ratio					
Total Expenses to Average AUM(10)	3.20%*	2.74%*	5.85%	6.72%	8.20%
PAT to Average AUM(11)	1.24%*	1.17%*	2.16%	2.09%	1.36%
Return on Assets (ROA)(12)	1.14%*	1.06%*	1.98%	1.89%	1.20%
Return on Equity (ROE)(13)	9.26%*	7.52%*	15.44%	15.33%	12.56%
Capital					
Net Worth or Shareholders Equity(14)	65,806.12	56,383.12	59,351.69	52,681.13	29,956.00
Total Debt to Net Worth(15)	6.06	5.36	6.77	5.24	8.01
CRAR(16)	20.92%	23.55%	18.82%	21.22%	17.12%
Total Debt/Total Assets(17)	0.78	0.75	0.80	0.75	0.79
Profitability					
Net Interest Income(18)	7,854.23	6,237.53	13,237.65	11,280.44	9,922.15
NIM(19)	1.68%*	1.79%*	3.32%	3.75%	3.93%
Spread(20)	1.11%*	1.43%*	2.21%	2.81%	3.26%
Average Yield on Term Loans Outstanding(21)	4.93%*	4.65%*	8.44%	9.14%	10.41%
Average cost of borrowings(22)	3.82%*	3.22%*	6.23%	6.33%	7.15%

Key Performance Indicators/ KPIs	Period ended September 30, 2023	Period ended September 30, 2022	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Cost to Income ratio(23)	64.69%	60.95%	67.29%	70.99%	78.57%
Profit per Employee(24)	33.29*	25.97*	54.04	40.61	22.06
Operating Margin(25)	35.30%	39.04%	32.69%	28.66%	21.34%
Net Profit Margin(26)	24.97%	26.00%	24.82%	22.04%	13.03%
Earnings Per Share					
Basic EPS(27)	2.54*	1.80*	3.78	8.03	4.41
Diluted EPS(28)	2.54*	1.80*	3.78	8.03	4.41

** Figures have not been annualised for the period ended September 30, 2023 and September 30, 2022.*

1. *Gross Loan Portfolio (GLP) or Term Loans Outstanding represents the total term loans outstanding (gross i.e., without netting-off the related provisioning) given by us as at the end of the period. It does not include interest accrued and due on term loans & interest accrued but not due on term loans, liquidated damages accrued and due, staff loans and interest accrued thereon.*
2. *GLP Growth represents growth in GLP for the period divided by GLP of the previous period in %.*
3. *Loans Sanctioned represents term loans approved during the period and may/may not be disbursed.*
4. *Loans Disbursed represents disbursement or financing of term loans during the period.*
5. *Gross NPA represents Gross Non-performing Term Loans divided by Term Loan Outstanding, at the period end in %.*
6. *Net NPA represents Net Non-performing Term Loans divided by Net Term Loans Outstanding, as at the period end in %. Net Term Loans represent Term Loans Outstanding minus NPA Provisions, as at the period end.*
7. *Total provisions held on Gross NPA divided by Gross NPA, as at the period end in %.*
8. *Fresh accretion of NPAs during the period divided by Term Loans Outstanding– Stage 1 & 2 (Standard), at the beginning of period in %.*
9. *Total NPA Provisions and write-offs (excluding provision for contingencies/standard assets) divided by average GLP outstanding, during the period in %.*
10. *Total expenses for a period divided by Average Asset under Management (AUM) for the period. AUM is interest & income generating assets.*
11. *Profit after tax for the period divided by Average AUM for the period.*
12. *Profit after tax for the period divided by Average total assets.*
13. *Profit after tax for the period divided by Average shareholder's equity.*
14. *Net worth represents the sum of equity share capital and other equity at the end of the period.*
15. *Total borrowings as at period end divided by net worth as at period end. Total Borrowings includes Debt Securities, Borrowings (Other than Debt Securities) and Subordinated Liabilities as at period end.*
16. *Total of Tier-I and Tier-II Capital divided by Credit Risk Weighted Asset in %.*
17. *Total borrowings at the end of the period divided by Total Assets at the end of the period.*
18. *Net Interest Income (comprising interest on term loans and investments) less interest expense (comprising interest on borrowings availed by us and net gain/loss on foreign exchange translation), for the period.*
19. *Net Interest Income divided by average interest-earning assets, in %.*
20. *Difference between average yield on average interest earning assets and average cost on average interest-bearing liabilities, in %.*
21. *Interest earned on Term Loans Outstanding divided by Average Term Loans Outstanding, in %*
22. *Interest expended during the period divided by average borrowings from all sources, in %.*
23. *Total expenses for the period divided by total income for the period, in %.*
24. *Profit after tax for the period divided by number of employees at the period end.*
25. *Profit before tax excluding other income divided by Total Revenue from Operations, for the period in %.*
26. *Profit after tax divided by Total income, for the period in %.*
27. *Profit after tax for the period divided by weighted average number of Equity shares at the end of the period.*
28. *Profit after tax for the period divided by weighted average number of Equity Shares including potential number of Equity Shares at the period end.*

The list of our KPIs along with brief explanation of the relevance of the KPI for our business operations are set forth below. We have also described and defined the KPIs, as applicable, in "*Definitions and Abbreviations*" on page 1.

Particulars	Description	Rationale
Operations		
Gross Loan Portfolio (GLP) or Term Loans Outstanding	Gross Loan Portfolio (GLP) or Term Loans Outstanding represents the total term loans outstanding (gross i.e., without netting-off the related provisioning) given by us as at the end of the period. It does not include interest accrued and due on term loans & interest accrued but not due on term loans, liquidated damages accrued and due, staff loans and interest accrued thereon	These metrics are used by the management to assess the growth in terms of scale and composition of business of our Company
GLP Growth	GLP Growth represents growth in GLP for the period divided by	

Particulars	Description	Rationale
	GLP of the previous period in %	
Loans Sanctioned	Loans Sanctioned represents term loans approved during the period and may/may not be disbursed	
Loans Disbursed	Loans Disbursed represents disbursement or financing of term loans during the period	
Asset Quality		
Gross NPA	Gross NPA represents gross non-performing term loans divided by Term Loans Outstanding, at the period end in %	These metrics are used by the management to assess the asset quality of the loan portfolio and adequacy of provisions against the delinquent loans
Net NPA	Net NPA represents net non-performing term loans divided by net Term Loans Outstanding, as at the period end in %. Net term loans represent Term Loans Outstanding minus NPA Provisions, as at the period end	
Provision Coverage Ratio	Total provisions held on Gross NPA divided by Gross NPA, as at the period end in %	
Slippage Ratio	Fresh accretion of NPAs during the period divided by Term Loans Outstanding – Stage 1 & 2 (Standard), at the beginning of period in %	
Credit cost ratio	Total NPA Provisions and write-offs (excluding provision for contingencies/standard assets) divided by average GLP outstanding, during the period in %	This ratio indicates the credit cost on the average assets of the entity
Return Ratio		
Total Expenses to Average AUM	Total expenses for a period divided by Average Asset under Management (AUM) for the period. AUM is interest & income generating assets	These metrics are used by the management to assess the cost and profit on the assets in the business of our Company
PAT to Average AUM	Profit after tax for the period divided by average AUM for the period	
Return on Assets (ROA)	Profit after tax for the period divided by average total assets	These metrics are used by the management to assess the returns on the deployed capital and the assets in the business of our Company
Return on Equity (ROE)	Profit after tax for the period divided by average shareholder's equity	
Capital		
Net Worth or Shareholders Equity	Net worth represents the sum of equity share capital and other equity at the end of the period	These metrics are used by the management to measure the adequacy of Capital financial resources for the business growth of the Company
Total Debt to Net Worth	Total borrowings as at period end divided by net worth as at period end. Total Borrowings includes Debt Securities, Borrowings (Other than Debt Securities) and Subordinated Liabilities as at period end.	
CRAR	Total of Tier-I and Tier-II Capital divided by Credit Risk Weighted Asset in %	
Total Debt to Total Assets	Total borrowings at the end of the period divided by Total Assets at the end of the period	This metrics indicate proportion of the total borrowed funds against our total assets
Profitability		
Net Interest Income	Net Interest Income (comprising interest on term loans and investments) less interest expense (comprising interest on borrowings availed by us and net gain/loss on foreign exchange translation), for the period	These metrics are used by the management for assessing the financial performance of the company during a particular period
NIM	Net Interest Income divided by average interest-earning assets, in %	
Spread	Difference between average yield on average interest earning assets and average cost on average interest-bearing liabilities, in %	
Yield on Term Loans	Interest earned on Term Loans Outstanding divided by average Term Loans Outstanding, in %	These metrics are used by the management to assess the income on loans given in the business of our Company
Cost of Borrowings	Interest expended during the period divided by average borrowings from all sources, in %	These metrics are used by the management to assess the

Particulars	Description	Rationale
		cost for financial resources which are deployed for the business growth of our Company
Cost to Income ratio	Total expenses for the period divided by total income for the period, in %	These metrics are used by the management for assessing the financial performance of the company during a particular period
Profit per Employee	Profit after tax for the period divided by number of employees at the period end	
Operating Margin	Profit before tax excluding other income divided by total revenue from operations, for the period in %	These metrics are used by the management to assess the profit earned on revenue generated in the business of our Company
Net Profit Margin	Profit after tax divided by Total income, for the period in %	
Earnings Per Share		
Basic EPS	Profit After Tax for the period divided by weighted average number of Equity shares at the end of the period	These metrics are used by the management to assess the Earnings on the Capital deployed in the business
Diluted EPS	Profit After Tax for the period divided by weighted average number of Equity shares including Potential No. of Equity Shares at the period end	These metrics are used by the management to assess the Earnings on the Capital deployed in the business

Description on the historic use of the KPIs by us to analyse, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of our key performance indicators with listed industry peers for the Financial Years/ periods included in the Restated Financial Information

The following table provides a comparison of the KPIs of our Company with our peer group. The peer group has been determined on the basis of companies listed on Indian stock exchanges and globally, whose business profile is comparable to our businesses in terms of our size and our business model:

(₹ in million, except per share and %)

Particulars	Indian Renewable Energy Development Agency Limited (IREDA) (2)					REC Limited (REC) (3)					Power Finance Corporation Limited (PFC) (3)				
	FY 2021	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**	**FY 2021**	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**	**FY 2021**	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**
Operations															
Gross Loan Portfolio (GLP) or Term Loans Outstanding	2,78,539	3,39,306	4,70,755	4,75,145	3,37,834	37,74,181	38,53,713	43,50,118	47,42,749	39,44,321	74,51,891	75,84,964	85,75,000	9,237,236	-
GLP Growth (%)	18.29%	21.82%	38.74%	0.93%	(0.43)%	17.06%	2.11%	12.88%	9.03%	2.35%	11.67%	1.79%	13.05%	7.72%	-
Loans Sanctioned	1,10,013	2,39,210	3,25,866	47,445	1,17,654	15,48,209	5,44,218	26,84,605	-	-	-	-	-	-	-
Loans Disbursed	88,283	1,60,708	2,16,392	62,733	40,063	9,29,874	6,41,502	9,68,463	-	-	-	-	-	-	-
Asset Quality															
Gross NPA	8.77%	5.21%	3.21%	3.13%	5.06%	4.84%	4.45%	3.42%	3.14%	4.03%	5.29%	5.02%	3.66%	3.40%	4.38%
Net NPA	5.61%	3.12%	1.66%	1.65%	2.72%	1.78%	1.51%	1.04%	-	-	1.97%	1.66%	1.06%	-	-
Provision Coverage Ratio	38.14%	41.45%	49.25%	48.11%	47.58%	64.59%	67.40%	70.64%	69.37%	69.28%	63.97%	68.05%	71.73%	71.18%	70.95%
Slippage Ratio	2.09%	0.10%	0.02%	0.10%	0.03%	0.01%	0.41%	0.00%	-	-	0.03%	0.52%	0.00%	-	-
Credit cost ratio	3.62%	2.37%	1.84%	1.51%	2.40%	3.37%	3.03%	2.56%	2.27%	2.82%	3.57%	3.45%	2.79%	2.51%	-
Return Ratio															
Total Expenses to Average AUM (4)	8.20%	6.72%	5.85%	3.20%*	2.74%*	-	-	-	-	-	-	-	-	-	-

Particulars	Indian Renewable Energy Development Agency Limited (IREDA) (2)					REC Limited (REC) (3)					Power Finance Corporation Limited (PFC) (3)				
	FY 2021	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**	**FY 2021**	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**	**FY 2021**	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**
PAT to Average AUM(4)	1.36%	2.09%	2.16%	1.24%*	1.17%*	-	-	-	-	-	-	-	-	-	-
Return on Assets (ROA)	1.20%	1.89%	1.98%	1.14%*	1.06%*	2.24%	2.47%	2.55%	1.38%*	1.24%*	2.14%	2.40%	2.51%	1.35%*	1.22%*
Return on Equity (ROE)	12.56%	15.33%	15.44%	9.26%*	7.52%*	21.17%	21.11%	20.41%	11.11%*	9.87%*	23.96%	21.08%	20.34%	10.70%*	9.88%*
Capital															
Net Worth or Shareholders Equity (including controlling interest)	29,956	52,681	59,351	65,806	56,383	4,37,639	5,13,141	5,81,205	6,35,825	5,37,961	8,17,903	9,62,752	11,19,813	1,237,030	10,22,802
Total Debt to Net worth	8.01	5.24	6.77	6.06	5.36	7.53	6.49	6.55	6.60	6.39	8.07	6.86	6.71	6.58	6.60
CRAR	17.12%	21.22%	18.82%	20.92%	23.55%	19.72%	23.61%	25.78%	28.53%	25.15%	18.83%	23.48%	24.37%	24.86%	-
Total Debt/Total Assets	0.79	0.75	0.80	0.78	0.75	0.81	0.80	0.81	0.81	0.80	0.85	0.83	0.84	0.83	0.83
Profitability															
Net Interest Income(5)	9,922	11,280	13,237	7,854	6,237	1,28,742	1,53,445	1,39,990	75,624	70,267	2,59,957	2,84,737	2,63,899	151,613	1,29,235
NIM(6)	3.93%	3.75%	3.32%	1.68%*	1.79%*	3.68%	4.02%	3.41%	1.66%*	1.80%*	3.68%	3.79%	3.27%	1.70%*	-
Spread	3.26%	2.81%	2.21%	1.11%*	1.43%*	2.83%	3.12%	2.51%	1.23%*	1.33%*	2.89%	2.93%	2.37%	1.27%*	-
Average Yield on	10.41%	9.14%	8.44%	4.93%*	4.65%*	9.91%	10.01%	9.47%	4.86%*	4.89%*	10.03%	9.96%	9.47%	4.82%*	-

Particulars	Indian Renewable Energy Development Agency Limited (IREDA) (2)					REC Limited (REC) (3)					Power Finance Corporation Limited (PFC) (3)				
	FY 2021	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**	**FY 2021**	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**	**FY 2021**	**FY 2022**	**FY 2023**	**As of and for the six months ended September 30, 2023**	**As of and for the six months ended September 30, 2022**
Term Loans Outstanding/ GLP															
Average cost of Borrowings	7.15%	6.33%	6.23%	3.82%*	3.22%*	7.08%	6.90%	6.96%	3.63%*	3.56%*	7.14%	7.03%	7.10%	3.55%*	3.69%*
Cost to Income ratio	78.57%	70.99%	67.29%	64.69%	60.95%	69.69%	68.37%	64.83%	62.45%	67.20%	72.27%	69.34%	65.87%	63.07%	68.02%
Profit per Employee	22.06	40.61	54.04	33.29*	25.97*	196	228	267	-	-	325	375	408	-	-
Operating Margin	21.34%	28.66%	32.69%	35.30%	39.04%	30.26%	31.48%	35.10%	37.50%	32.74%	27.70%	30.55%	34.09%	36.90%	31.94%
Net Profit Margin	13.03%	22.04%	24.82%	24.97%	26.00%	23.55%	25.51%	28.26%	29.65%	26.64%	21.92%	24.58%	27.28%	29.05%	25.89%
Earnings Per Share															
Basic EPS	4.41	8.03	3.78	2.54*	1.80*	42.42	37.98	42.28	25.66*	19.70*	44.50	53.08	60.19	28.51*	27.85*
Diluted EPS	4.41	8.03	3.78	2.54*	1.80*	42.42	37.98	42.28	25.66*	19.70*	44.50	53.08	60.19	28.51*	27.85*

**Figures have not been annualised for the period ended September 30, 2023 and September 30, 2022.*

Notes:

1. *' – ' represents Not Available*
2. *All the financial information for the Company is sourced from the Restated Financial Information.*
3. *The financial parameters for the industry peers mentioned above is on a consolidated basis and is sourced/derived from the respective annual report/financial results. The financial information of PFC also includes financials of REC Limited being 52.63% subsidiary of PFC.*
4. *Asset under Management (AUM) of peer companies are not available directly in public filing and accordingly ratios related to AUM is not provided.*
5. *While calculating Net Interest Income, in the interest expense/finance costs "Net translation / transaction exchange loss / (gain)" are adjusted.*
6. *For peers, the NIM (%) is computed as Net Interest Income divided by average gross loan portfolio.*
7. *Peer companies may calculate such KPIs differently from us in their financial result/annual report/Investor presentation. For the purpose of comparison, unless otherwise stated, the financial ratios of the peers have been computed/calculated in the same manner in which calculation/computation carried out by the Company for purpose of KPIs disclosure. Please see foot note under para table "Key Performance Indicators ("**KPIs**")" on page 120 for details regarding computation of the said ratio.*

Comparison of KPIs based on additions or dispositions to our business

Our Company has not undertaken a material acquisition or disposition of assets/ business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

J. **Justification for Basis for Offer price**

A. Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under a stock option scheme and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company in a single transaction or multiple transactions combined together over a span of rolling 30 days

There has been no issuance of Equity Shares during the 18 months preceding the date of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

B. Price per share of our Company (as adjusted for corporate actions, including split, bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities involving the Promoter Selling Shareholder during the 18 months preceding the date of filing of this Prospectus, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Company, in a single transaction or multiple transactions combined together over a span of rolling 30 days

There have been no secondary sale/ acquisitions of Equity Shares, where the Promoter Selling Shareholder is a party to such transaction, during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

C. Primary and secondary transactions in the last three years preceding the date of this Prospectus

Since there are no such transactions to report under (A) and (B) above, information for the last five primary or secondary transactions (secondary transactions where the Promoter/ Promoter Selling Shareholder having the right to nominate director(s) on the Board of our Company, is a party to the transaction), not older than three years prior to the date of this Prospectus irrespective of the size of transactions, is as below:

Primary Transactions

Disclosed below are the last five primary transactions of our Company, in the last three years preceding the date of this Prospectus.

Date of allotment	Number of equity shares allotted	Face value (₹)	Issue Price (₹)	Nature of consideration	Nature of allotment	Total consideration (in ₹ million)
March 31, 2022	1,500,000,000	10.00	10.00	Cash	Rights issue	15,000.00
Total	1,500,000,000					15,000.00
Weighted average cost of acquisition^						10.00

^ *The above details have been certified by DSP & Associates, Chartered Accountants, our Statutory Auditors, pursuant to the certificate dated November 24, 2023.*

Secondary Transactions

There has been no secondary transactions in the last three years preceding the date of this Prospectus.

D. Weighted average cost of acquisition, floor price and cap price

The weighted average cost of acquisition, as compared with the Floor Price and Cap Price is set forth below:

TYPE OF TRANSACTIONS	Weighted average cost of acquisition (₹ per Equity Share)^	Floor price (i.e., ₹30)	Cap price (i.e., ₹32)
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of this Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.	N.A.	N.A.
Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares equity/convertible securities), where promoter/ promoter group entities or selling shareholders or shareholder(s) having the right to nominate director(s) in the Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	N.A.	N.A.	N.A.
Since there were no primary transactions or secondary transactions of Equity Shares of the Company during the 18 months preceding the date of filing of this Prospectus, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (secondary transactions where the Promoter/ Promoter Selling Shareholder having the right to nominate director(s) on our Board, is a party to the transaction), not older than three years prior to the date of filing of this Prospectus irrespective of the size of the transaction			
Based on primary transactions	10.00	3.00 times	3.20 times
Based on secondary transactions	N.A.	N.A.	N.A.

^ *The above details have been certified by DSP & Associates, Chartered Accountants, our Statutory Auditors, pursuant to the certificate dated November 24, 2023.*

E. Explanation for Offer Price being 3.20 times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in D above) along with (a) our Company's key performance indicators and financial ratios for the six months ended September 30, 2023 and for the Fiscals 2023, 2022 and 2021; and (b) external factors which may have influenced the pricing of the Offer.

1. With the announcement of 500 GW non-fossil fuel based capacity installation by 2030 and net-zero emissions by 2070, India has set itself on one of the most accelerated energy transition trajectories in the world (*Source: CARE Report*).

2. We are the largest pure-play green financing NBFC in India with loan assets of ` 470.7 billion as of March 31, 2023 and are well placed to capitalise on the rapid growth in the RE sector. (*Source: CARE Report*). We are a wholly owned Government of India Schedule 'A' enterprise.

3. We provide a comprehensive range of financial products and related services, from project conceptualisation to post-commissioning, for RE projects and other value chain activities, such as equipment manufacturing and transmission.

4. We have an experienced senior management with in-depth sector expertise and professionally qualified employee base. The average work experience in banking finance, power and RE of our management is between 25 and 30 years.

5. We have a track record of consistent growth in our loan book, diversified asset book, high quality assets with over 90% secured asset base and stable profitability in the RE financing space in India.

6. We play a strategic role in Government of India initiatives in the Renewable Energy sector, and are closely involved in the development and implementation of various policies and schemes for structural and procedural reform in the RE sector.

7. We have access to diversified and cost-effective long-term sources of borrowing. We have AAA (Stable) rating from India Ratings, ICRA and Acuite.

8. We have a comprehensive data-based credit appraisal process and risk-based pricing, with efficient post-disbursement project monitoring and recovery processes. Consequently, we have maintained strong control over our NPAs, which have demonstrated a declining trend over the three preceding Fiscals and the six months ended September 30, 2023.

9. Our management is committed to implementing high standards of corporate governance and we have established policies and procedures to support transparency, sound business ethics and a well-established compliance framework.

10. Gross NPAs as a percentage of Term Loans Outstanding reduced from 8.77% as of March 31, 2021 to 3.13% as of September 30, 2023. Our net NPAs as a percentage of Net Term Loans Outstanding reduced from 5.61% as of March 31, 2021 to 1.65% as of September 30, 2023.

11. Our Term Loan Outstanding and Profit after Tax grown at a CAGR 30% and 57.99 % during financial year 2021 to Financial Year 2023.

F. The Offer price is 3.20 times the face value of the Equity Shares.

The Offer Price of ₹32 has been determined by our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the abovementioned information along with "*Risk Factors*", "*Our Business*", "*Restated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 34, 219, 321 and 520, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" on page 34 and you may lose all or part of your investments.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

Date: November 6, 2023

To

The Board of Directors
Indian Renewable Energy Development Agency Limited
India Habitat Centre
East Court, Core 4 ‘A’
1st Floor, Lodhi Road
New Delhi – 110 003

IDBI Capital Markets & Securities Limited
6th floor, IDBI Tower, WTC Complex,
Cuffe Parade, Mumbai 400 005,
Maharashtra, India

BOB Capital Markets Limited
1704, B Wing, 17th Floor,
Parinee Crescenzo, Plot No. C – 38/39,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai-400 051,
Maharashtra, India

SBI Capital Markets Limited
1501, 15th floor, A&B Wing
Parinee Crescenzo, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051,
Maharashtra, India

(**IDBI Capital Markets & Securities Limited, BOB Capital Markets Limited and SBI Capital Markets Limited are collectively, the “Book Running Lead Managers**”)

Re: Proposed initial public offering of equity shares of ₹ 10 each (the “Equity Shares” and such offering, the “Fresh Issue”) of Indian Renewable Energy Development Agency Limited (the “Company”) and offer for sale of Equity Shares by existing shareholder (Government of India) of the Company (the “Offer for Sale”, together with the Fresh Issue, is referred as the “Offer”).

1. We, DSP & Associates, Chartered Accountants, statutory auditors of the Company, have received a request from the Company to verify and certify the possible special tax benefits available to the Company and the shareholders of the Company, in connection with possible special tax benefits under direct and indirect tax laws, including under the Income Tax Act, 1961, as amended, Income Tax Rules, 1962, amendments made by Finance Act, 2023 (hereinafter referred to as ‘Income Tax Laws’), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, respective Union Territory Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975, as amended, the rules and regulations there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders, in the enclosed statement at the Annexure.

2. Several of these stated tax benefits/consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the stated tax benefits is dependent on fulfilling such conditions.

3. A statement of possible special tax benefits available to the Company and its shareholders is required as per Schedule VI (Part A) (9)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure

Requirements) Regulations, 2018 as amended ("SEBI ICDR Regulations"). While the term 'special tax benefits' has not been defined under the SEBI ICDR Regulations, it is assumed that with respect to special tax benefits available to the Company, and its shareholders the same would include those benefits as enumerated in the Statement. The benefits discussed in the enclosed annexure are not exhaustive. The Annexure is for your information and for inclusion in the red herring prospectus (the "**RHP**"), the prospectus (the "**Prospectus**") and any other offering material in connection with Offer ("**Offer Documents**"), as amended or supplemented thereto or any other written material in connection with the proposed Offer and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement.

4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

5. We also consent to the references to us as "Experts" under Section 26 of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the RHP and prospectus of the Company or in any other documents in connection with the Offer.

6. We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India ("**ICAI**"), as revised from time to time, to obtain a reasonable assurance that such details are in agreement with the books of accounts and other relevant records provided to us, in all material respects; the aforesaid Guidance Note requires that we comply with the ethical requirements of the 'Code of Ethics' issued by the ICAI, as revised from time to time. Further, we have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements', as revised from time to time. We have also complied with the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time").

7. We confirm that the information herein is true, correct, complete, and accurate, not misleading and does not contain any untrue statement of a material fact nor omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

8. We undertake to inform you promptly, in writing of any changes to the above information until the allotment of Equity shares / Equity Shares commence trading on the relevant stock exchanges where the Equity Shares of the Company are proposed to be listed (the "**Stock Exchanges**"), pursuant to the Offer. In the absence of any such communication from us, the above information should be considered as updated information until the allotment of Equity shares / Equity Shares commence trading on the Stock Exchanges, pursuant to the Offer.

9. This certificate can be relied on by the Company, BRLMs, their affiliates and the Legal Counsels in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer.

10. This certificate is issued for the sole purpose of the Offer and relevant extracts can be used in part or full as and where applicable, in connection **RHP**, **Prospectus** and any other material used in connection with the Offer and consent to the submission of this certificate as may be necessary (**collectively "Offer Documents"**), to the Securities and Exchange Board of India, any regulatory/ statutory authorities , stock exchanges where the Equity Shares are proposed to be listed, Registrar of Companies, NCT of Delhi and Haryana at New Delhi or any other authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law, and for the purpose of any defense the BRLMs may wish to advance in any claim or proceeding in connection with the contents of the RHP and Prospectus, as the case may be.

11. All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents

Sincerely,

For: DSP & Associates
Statutory Auditor
Firm Registration No: 006791N

Utkarsh Singhal

Partner (Membership No. 565593**)**
UDIN: 23565593BHAOQQ8466 Place: New Delhi

Date: November 6, 2023

ANNEXURE A

POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS OF THE COMPANY UNDER DIRECT TAX LAWS

A) TO THE COMPNAY

1. **Concessional corporate tax rates** – In terms of section 115BAA, now domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions. The option to apply this tax rate was available from Financial Year ('FY') 2019-20 relevant to Assessment Year ('AY') 2020-21 and the option once exercised shall apply to subsequent AYs.
The concessional rate is subject to a company not availing any of the following deductions under the provisions of the Act:
   - Section10AA: Tax holiday available to units in a Special Economic Zone.
   - Section 32(1) (iia): Additional depreciation;
   - Section 32AD: Investment allowance.
   - Section 33AB/3ABA: Tea coffee rubber development expenses/site restoration expenses
   - Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
   - Section 35AD: Deduction for capital expenditure incurred on specified businesses.
   - Section 35CCC/35CCD: expenditure on agricultural extension /skill development.
   - Chapter VI-A except for the provisions of section 80JJAA and section 80M.

   The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge and health and education Cess) is required to be computed without set-off of any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate in its return of income filed under section 139(1) of the Act. Further, provisions of Minimum Alternate Tax ('MAT') under section 115JB of the IT Act shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed. The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

   Note: The Company has already opted for the concessional tax rate benefit for the FY 2019-20 relevant to the AY 2020-21 as mentioned in the Section 115BAA for which declaration in form 10IC has already been filed with the income tax authority.

2. **In respect of Company's Financing Activities**

   (a) Deduction Under Section 36(1)(viia)(c), is available to a public financial institution or a State financial corporation or a State industrial investment corporation, an amount not exceeding five per cent of the total income (computed before making any deduction under this clause and Chapter VI-A) in respect of any provision for bad and doubtful debts made while computing income under head Profit & Gains from Business or Profession. The company being Public Financial Institution as per the provision of the Act, the company is entitled to the stated deduction.

   Alternatively, the Company, being a non-banking financial company, is also eligible to claim deduction under Section 36(1)(viia)(d) for an amount not exceeding five per cent of the total income (computed before making any deduction under this clause and Chapter VI-A) in respect of any provision for bad and doubtful debts made while computing income under head Profit & Gains from Business or Profession.

   (b) Deduction Under Section 36(1)(viii) is available to in respect of any special reserve created and maintained for an amount not exceeding twenty per cent of the profits derived from eligible business computed under the head "Profits and gains of business or profession" (before making any deduction under this clause) carried to such reserve account, provided that where the aggregate of the amounts carried to such reserve account from time to time exceeds twice the amount of the paid up share capital and of the general reserves of the specified entity, no allowance under this clause shall be made in respect of such excess.

The company is a 'financial corporation' as per the provisions of the Act and is in the business of development of infrastructure facility in India, the company is entitled to the stated deduction.

B) TO THE SHAREHOLDERS

There are no special tax benefits available to the shareholders of the Company under the Act.

POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND THE SHAREHOLDERS UNDER INDIRECT TAX LAWS

The Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively referred to as "Indirect tax laws").

A) TO THE COMPANY

- As per the GST law (vide GST notification no 12/2017- Central Tax (Rate) dated 28 June 2017), income earned out of extending deposits, loans or advances in so far as the consideration is represented by way of interest or discount is exempted from payment of GST. Thus, interest income earned by the company is exempted from payment of GST.

- Further, in accordance to the provisions of the GST law, every registered person is required to reverse input tax credit attributable to the exempt income (arrived by determining the ratio of exempt income over total income). However, the company is given an option to reverse merely 50% of their total eligible input tax credit.

B) TO THE SHAREHOLDERS

There are no special indirect tax benefits available to the shareholders of the Company.

SECTION V: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs" dated November 2023 (the "**CARE Report**") prepared and issued by CARE Advisory Research & Training Limited ("**CARE**"). The CARE Report has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and is commissioned by our Company pursuant to mandate letter dated June 9, 2023, and paid for by the BRLMs in equal proportion. Forecasts, estimates, predictions and any other forward- looking statements contained in the CARE Report are inherently uncertain because of changes in factors underlying their assumptions, or events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions or such statements. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CARE Report was available on the website of our Company at https://www.ireda.in/home, from the date of the Red Herring Prospectus till the Bid/Offer Closing Date*

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. While preparing its report, CARE has also sourced information from publicly available sources, including our Company's financial statements available publicly. However, financial information relating to our Company presented in other sections of this Red Herring Prospectus has been prepared in accordance with Ind AS and restated in accordance with the SEBI ICDR Regulations. Accordingly, the financial information of our Company in this section is not comparable with Ind AS financial information presented elsewhere in this Prospectus.

Government's thrust to drive installed renewable capacity share to 66% by Fiscal 2032

India is the world's third-largest producer and second-largest user of energy. Power demand in the country has been on the rise in the past decade, with an exception during Fiscal 2021 due to the Covid-19 pandemic. Peak energy demand grew at a CAGR of 4.7% from 148 GW in Fiscal 2014 to 216 GW in Fiscal 2023, while peak supply grew at a CAGR of 5.3% over the same time period. The peak deficit stood at 0.5% i.e. 7,582 million units ("**MU**") in Fiscal 2023.

The all India peak electricity demand projected is projected to reach 277 GW and energy requirement is projected at 1,908 BU in Fiscal 2027, growing at a CAGR of 4.8% and 4.5%, respectively. During Fiscal 2027 to Fiscal 2032, energy requirement and peak demand are expected to grow at a faster CAGR of 5.3% and 5.7%, respectively.

As on September 2023, the total installed power generation capacity stood at 425 GW with renewable sources accounting for 42 % of the installed capacity. Driven by factors such as (i) government's thrust on the renewable energy sector to achieve India's climate targets – 500 GW of non-fossil fuel energy capacity by 2030, 50% of energy requirement to be met through renewable energy by 2030, reduction in carbon intensity of the economy by 45% by 2030 over 2005 levels, becoming energy independent by 2047 and achieving net zero by 2070, and (ii) benefits of renewable energy such as abundant availability of resources, lower tariffs and (iii) technological advancements in renewable power technology, the installed renewable power capacity is expected to increase to 336 GW by Fiscal 2027, with solar, wind and hydro accounting for 55%, 22% and 16% of installed renewable power capacity, respectively. The installed renewable power capacity is expected to reach 595 GW by Fiscal 2032 and account for 66% of the total power generation capacity. A total outlay of ₹ 24.43 trillion is expected towards renewable capacity additions between Fiscal 2023 - Fiscal 2032.

To further support reduction in emissions, the government has taken multiple initiatives to promote net zero and other technologies. The National Green Hydrogen Mission has been launched in August 2021 with an objective to make India a global hub for production, usage and export of green hydrogen and its derivatives with an outlay of ₹ 190 billion to help achieve an annual production target of 5 MMT by 2030. Further, India has set a target of 30% electric vehicle ("**EV**") adoption by 2030, which will require a massive expansion of the EV charging infrastructure. The government has set a target of 46,397 public charging stations by 2030. With further focus on achieving a sustainable and eco-friendly transportation ecosystem, the government is taking steps to promote EV adoption, such as providing subsidies for EVs and the charging infrastructure is expected to expand rapidly in the coming years. Additionally, decarbonization measures are being implemented by all major industries including power, steel, fertilizers, cement, oil and gas, among others, to contribute to the net zero target by 2070.

Governments thrust towards renewable energy presents lending opportunity to power focused NBFCs

Power sector financing NBFCs primarily focus on financing of power generation, transmission, distribution and other such activities. These NBFCs provide funds for various types of power projects, including thermal power plants, transmission lines and renewable energy projects such as solar power plants, wind farms, hydroelectric projects, bioenergy energy projects and clean energy generation.

Power financing NBFCs have seen significant traction supported by increase in demand for funds from power sector, and government's push towards growth of power sector. In Fiscal 2023, the outstanding credit of key power financing NBFCs witnessed a CAGR of nearly 10% over Fiscal 2019. In Fiscal 2024, power-financing NBFCs are expected to continue this growth momentum and this growth is likely to be driven by increase in power demand, rise in population, renewable integration and sustainability goals of the country.

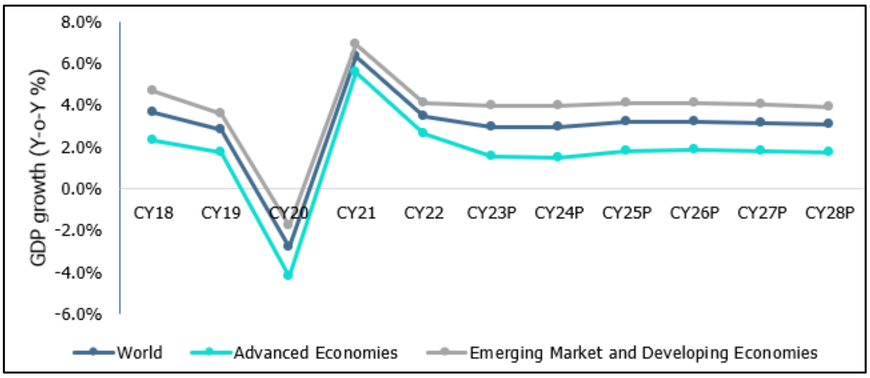
Over the years, asset quality for this set of NBFCs have seen significant improvement with gross NPAs coming down. The decline in gross NPAs is largely supported by restructuring of stressed assets, write-offs, decline in slippages and increased provisioning.

ECONOMIC OUTLOOK

GLOBAL ECONOMIC OUTLOOK

As per the International Monetary Fund's ("**IMF**") World Economic Outlook growth projections released in October 2023, global economic growth for 2022 stood at 3.5% on year-on-year basis, down from 6.3% in 2021 due to disruptions resulting from the Russia-Ukraine conflict and higher-than-expected inflation worldwide. The global economic growth for 2023 is projected to slow down further to 3.0% and 2.9% in 2024, attributed to compressing global financial conditions, expectations of steeper interest rate hikes by major central banks to fight inflation and spill-over effects from the war between Russia and Ukraine with gas supplies from Russia to Europe expected to remain tightened. For the next four years, the IMF projects world economic growth in the range of 3.0% - 3.2% on a year-on-year basis.

Global Growth Outlook Projections (Real GDP, year-on-year change in %)



Notes: E- Estimated, P-Projection
Source: IMF – World Economic Outlook, October 2023

Advanced Economies Group

The major advanced economies registered GDP growth of 2.6% in 2022, down from 5.4% in 2021, which is further projected to decline to 1.5% in 2023. This forecast of low growth reflects increased central bank interest rates to fight inflation and the impacts of the Russia- Ukraine war. About 90% of advanced economies are projected to witness decline in GDP growth in 2023 compared 2022. This growth is expected to decline further to 1.4% in 2024.

Emerging market and developing economies group

For the emerging market and developing economies group, GDP growth stood at 4.1% in 2022, compared to 6.8% in 2021. This growth is further projected at 4.0% in 2023 and 2024. About 90% of the emerging economies are projected to make positive growth while the remaining economies, including the low-income countries, are expected to progress slower. Further, in China, growth is expected to pick up to 5.0% with the full reopening in 2023 and subsequently moderate in 2024 to 4.2%. The property market crisis and lower investment are key factors leading to this moderation. However, India is projected to remain strong at 6.3% for both 2023 and 2024, backed by resilient domestic demands despite external headwinds.

GDP growth trend comparison - India v/s Other Emerging and Developing Economies

(Real GDP, year-on-year change in %)

	Real GDP (Year-on-Year change in %)									
	2019	**2020**	**2021**	**2022**	**2023P**	**2024P**	**2025P**	**2026P**	**2027P**	**2028P**
India	3.9	-5.8	9.1	7.2	6.3	6.3	6.3	6.3	6.3	6.3
China	6.0	2.2	8.5	3.0	5.0	4.2	4.1	4.1	3.7	3.4
Indonesia	5.0	-2.1	3.7	5.3	5.0	5.0	5.0	5.0	5.0	5.0
Saudi Arabia	0.8	-4.3	3.9	8.7	0.8	4.0	4.2	3.3	3.3	3.1
Brazil	1.2	-3.3	5.0	2.9	3.1	1.5	1.9	1.9	2.0	2.0

P- Projections; Source: IMF, World Economic Outlook Database (October 2023)

Despite the turmoil in last two-three years, India bears good tidings for becoming USD 5 trillion economy by 2027. According to the IMF dataset on Gross Domestic Product ("**GDP**") at current prices, the GDP is estimated to be at USD 3.4 trillion for 2022 and projected to reach USD 5.2 trillion by 2027. The expected GDP growth rate of India for coming years of 6.3% is almost double compared to the world economy's projected growth of 3.0% - 3.2% over 2023 - 2028.

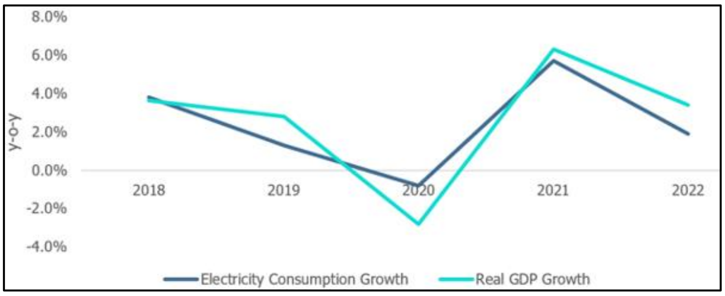
Besides this, India stands out as the fastest growing economy amongst the major economies. Outshining the growth rate of China, the Indian economy is expected to grow at more than 6% in the period from 2024-2028.

By 2027, the Indian economy is estimated to emerge as the third largest economy globally, over Japan and Germany. Currently, India is the third largest economy globally in terms of Purchasing Power Parity ("**PPP**") with approximately 7% share in global economy with China (approximately 18%) on the top and United states (approximately 15%) being second.

Global electricity consumption growth is closely linked to GDP growth

Economic growth and electricity demand are positively correlated – if the economy grows, the electricity demand rises and vice-versa. Continuous supply of electricity is critical factor for growth of key economic drivers such as industrial activity, services sector, agriculture among others. The electricity demand was growing in line with the real GDP growth in 2018 and 2019. During 2020, the GDP declined by 2.8% year-on-year due to the impact of lockdowns and movement restrictions imposed by several countries due to the Covid-19 pandemic. During this year, the global electricity demand shrank by 0.8%. In 2021, as the global GDP bounced back from the impact of pandemic with 6.3% growth, electricity demand also followed the trend with 5.7% year-on-year growth.

World Electricity Demand vs. GDP Growth Rate

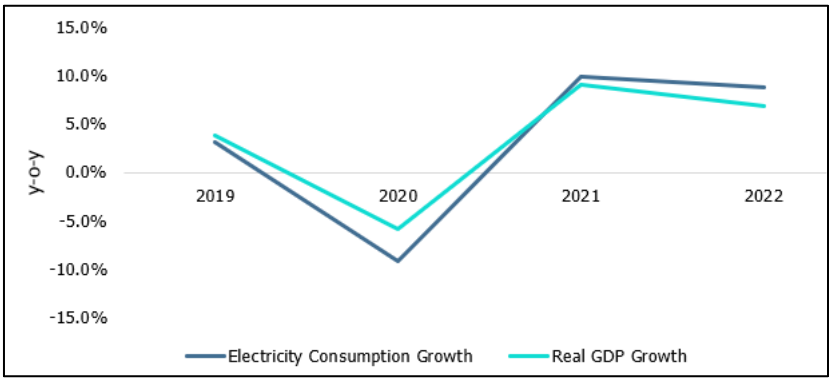


Source: International Energy Agency (IEA), IMF, World Economic Outlook Database (April 2023)

Global electricity demand growth moderated to 1.9% in 2022 amidst the global energy crisis on account of Russia-

Ukraine war. The high energy prices and prices of linked commodities such as coal and natural gas in turn sharply increased power generation costs and electricity prices in most economies of the world. Furthermore, high inflationary environment and high electricity prices led to lower electricity growth in most economies around the world.

India - Electricity Demand vs. GDP Growth Rate



Source: International Energy Agency (IEA), IMF, World Economic Outlook Database (April 2023)

INDIAN ECONOMIC OUTLOOK

GDP growth and Outlook

Resilience to external shocks remains critical for near-term outlook

India's GDP grew by 9.1% in Fiscal 2022 and stood at ₹ 149.3 trillion despites of some spill overs of the pandemic and geo-political Russia-Ukraine. In the first quarter of Fiscal 2023, India recorded 13.2% year-on-year growth in GDP which can largely be attributed to better performance by agriculture and services sectors. Following this double-digit growth, the second quarter of Fiscal 2023 witnessed 6.3% year-on-year growth, while the third quarter of Fiscal 2023 registered 4.5% year-on-year growth. This slowdown in growth during the second quarter of Fiscal 2023 and third quarter of Fiscal 2023 compared to the first quarter of Fiscal 2023 can be attributed to normalization of the base and a contraction in the manufacturing sector's output. Subsequently, the fourth quarter of Fiscal 2023 registered broad-based improvement across sectors compared to the third quarter of Fiscal 2023 with growth of 6.1% year-on-year. The investments as announced in the Union Budget 2022-2023 on boosting public infrastructure through enhanced capital expenditure has augmented growth and encouraged private investment through large multiplier effects in Fiscal 2023. Supported by fixed investment and higher net exports, GDP for Fiscal 2023 was valued at ₹ 160.1 trillion, registering an increase by 7.2% year-on-year.

In the first quarter of Fiscal 2024, economic growth accelerated to 7.8%. The manufacturing sector maintained the encouraging pace of growth gaining from favourable demand conditions and lower input prices. A supportive base along with continued strength in services and construction activities supported the growth.

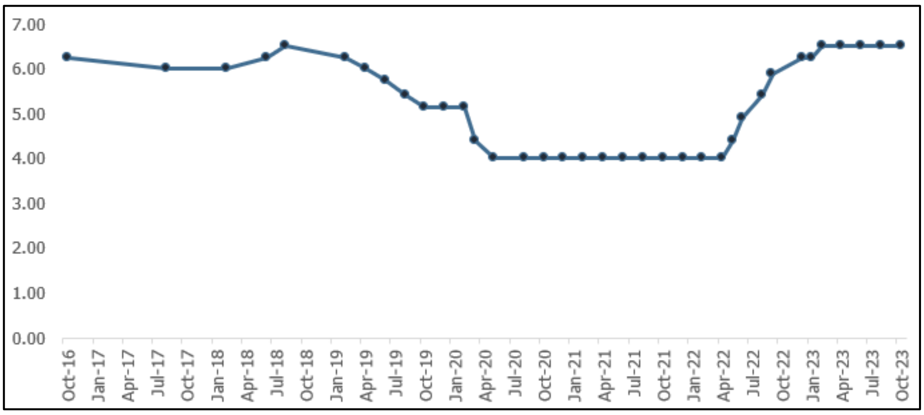
The RBI in its bi-monthly monetary policy meeting estimated a real GDP growth of 6.5% year-on-year for Fiscal 24.

RBI's GDP Growth Outlook (Y-o-Y %)

Fiscal 2024 (complete year)	Second quarter of Fiscal 2024	Third quarter of Fiscal 2024	Fourth quarter of Fiscal 2024	First quarter of Fiscal 2025
6.5%	6.5%	6.0%	5.7%	6.6%

Source: Reserve Bank of India

RBI historical Repo Rate



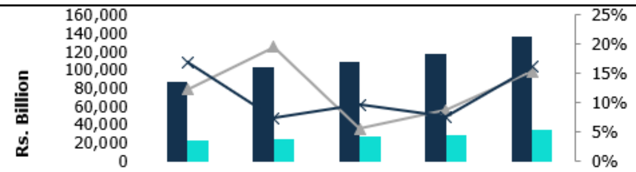
Source: RBI

However, with the inflation easing over the last few months, RBI has kept repo rate unchanged at 6.5% in the last four meetings of the Monetary Policy Committee. At the bi-monthly meeting held in October 2023, RBI projected inflation at 5.4% for Fiscal 2024 with inflation during the second quarter of Fiscal 2024 at 6.4%, third quarter of Fiscal 2024 at 5.6%, fourth quarter of Fiscal 2024 at 5.2% and first quarter of Fiscal 2025 at 5.2%. In a meeting held in October 2023, RBI also maintained the liquidity adjustment facility corridor by adjusting the standing deposit facility rate of 6.25% as the floor and the marginal standing facility at the upper end of the band at 6.75%.

The central bank continued to remain focused on withdrawal of accommodative stance. With domestic economic activities gaining traction, RBI has shifted gear to prioritize controlling inflation. While RBI has paused on the policy rate front, it has also strongly reiterated its commitment to bringing down inflation close to its medium-term target of 4%. Given the uncertain global environment and lingering risks to inflation, Central Bank has kept the window open for further monetary policy tightening in the future, if required.

Overview of Indian Financial Services

Trend in SCBs and NBFCs Credit



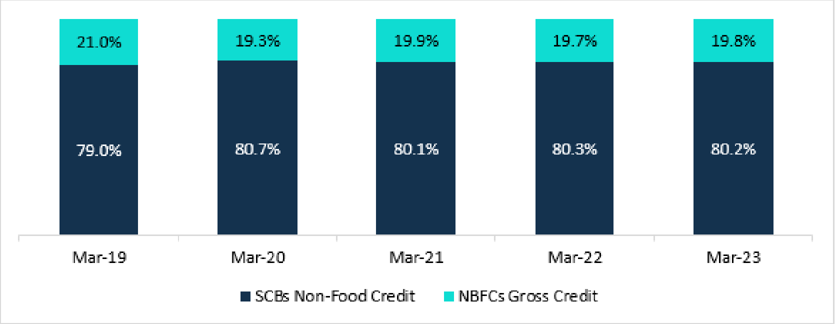
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23
SCBs Non-Food Credit	86,334	103,191	108,883	118,363	136,553
NBFCs Gross Credit	22,954	24,639	27,026	29,087	33,771
SCBs Y-o-Y Growth	12.3%	19.5%	5.5%	8.7%	15.4%
NBFCs Y-o-Y Growth	17.0%	7.3%	9.7%	7.6%	16.1%

Source: RBI, CareEdge Research
Note: Data are provisional, SCBs- Scheduled Commercial Banks, NBFCs- Non-banking financial companies

Over the years, there has been significant growth in credit deployed by SCBs and NBFCs. Despite the hike in interest rates in 2022, global uncertainties related to geo-political and supply chain issues, the credit offtake has remained robust. During Fiscal 2023, the credit growth continued to be driven by a lower base of previous year, higher lending to NBFCs, growth in retail segments of unsecured personal loans, housing loans, auto loans while growth in MSME and corporate lending was on account of increase in working capital requirements.

During Fiscal 2023, NBFCs have also seen significant ramp-up in credit deployed, with its growth surpassing year-on-year growth of bank credit. NBFCs growth is driven by increase in demand for retail credit and working capital loans.

Share in Overall credit



Source: RBI, CareEdge Research
Note: Data are provisional

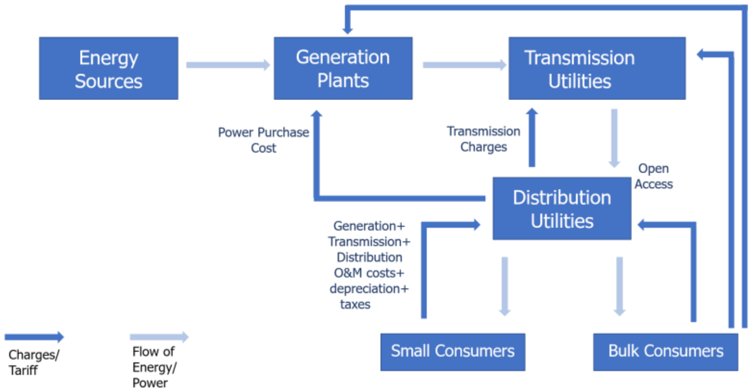
While SCBs share in total credit deployed has marginally declined, they continue to be the largest lenders of credit with their share in overall credit hovering in the range of 79% - 81%, followed by NBFCs at 19% - 21% share in overall credit in the last five financial years.

Power Industry in India

The power industry is divided into three segments: (i) Generation, (ii) Transmission, and (iii) Distribution. Generation is the process of producing electricity from different sources like thermal energy (coal, diesel, among others), nuclear and renewable sources such as sunlight and wind, natural gas, in generating stations or power generation plants. Transmission utilities transport large amount of electricity from power plants to distribution substations via a grid at high voltages. Retail electricity distribution, which is the distribution of electricity to consumers at lower voltages, forms part of the distribution segment.

The structure of the power industry is depicted in the figure below.

Structure of Power Sector in India



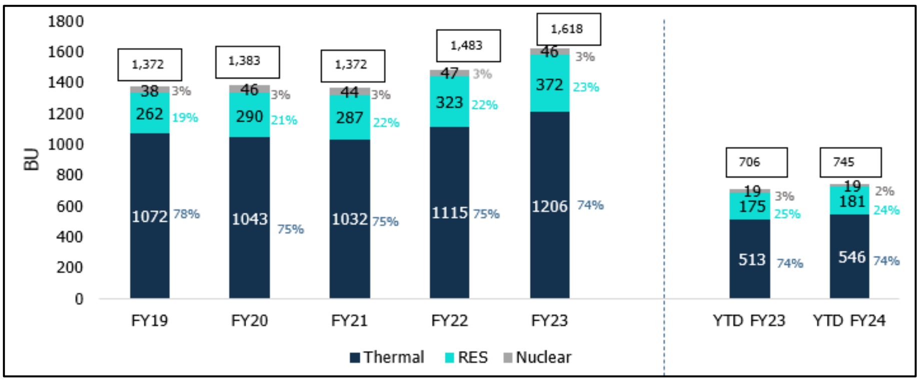
Source: CareEdge Research

OVERVIEW OF INDIAN POWER GENERATION INDUSTRY

Indian power generation sector is one of the most diversified in the world. Power generation sources in India range from conventional sources such as coal, lignite, natural gas, oil, and nuclear to viable unconventional sources such as wind, solar, hydro, agricultural and household waste.

Electricity generation in India increased from 1,372 BU in Fiscal 2019 to 1,618 BU in Fiscal 2023, implying a CAGR of 4.2%. Electricity generation increased by about 6% year-on-year to 745 BU during April 2023 to August 2023. Thermal power forms the largest source of power in the country with about 75% of the electricity consumed being generated from thermal power plants. Renewable Energy Sources ("**RES**") including solar, wind and hydro are quickly increasing their share and their contribution has increased from 19.1% in Fiscal 2019 to 23% in Fiscal 2023.

Power Generation over the years

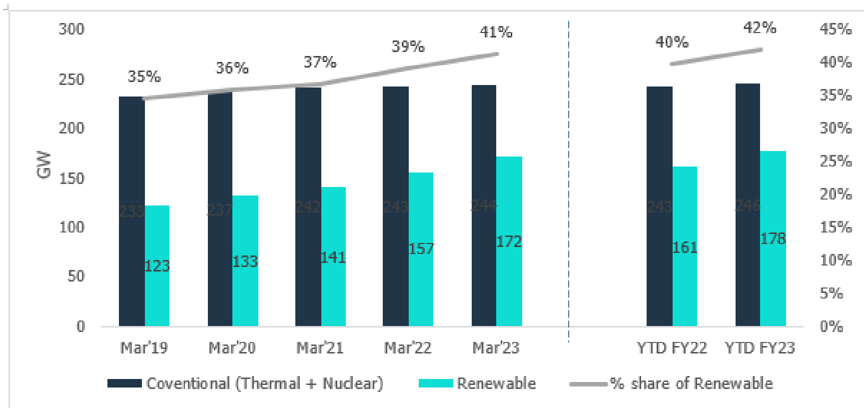


Source: CEA; RES refers to power generated from Hydro, Wind, Solar, Small hydro and Bioenergy projects; Note: YTD Fiscal 2023/ Fiscal 2024 indicates April to August

Installed capacity

The installed power capacity in India has increased from 356 GW in Fiscal 2019 to 416 GW in Fiscal 2023; it increased by 4% year-on-year as on September 2023 to 425 GW; India is the world's third-largest producer and second-largest user of energy.

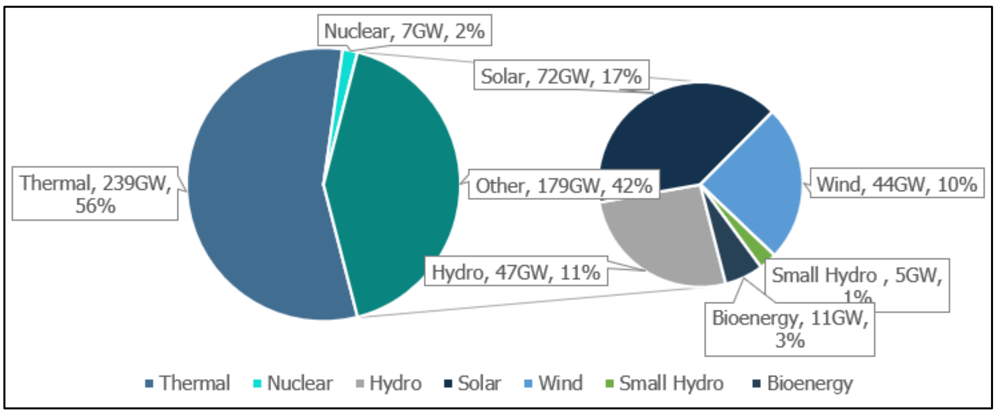
Installed Capacity Trend



Source: CEA, CareEdge Research

While conventional sources currently account for 58% of installed capacity, with the GoI's ambitious projects and targets, power generated from RES including hydro, which currently accounts for 42%, is expected to have nearly equal in contribution compared to conventional sources in the medium term. With consistent focus on renewable sector, the percentage share of installed capacity is expected to shift towards renewable energy.

Mode-wise total installed capacity – 418 GW (July 2023)



Source: CEA, CareEdge Research

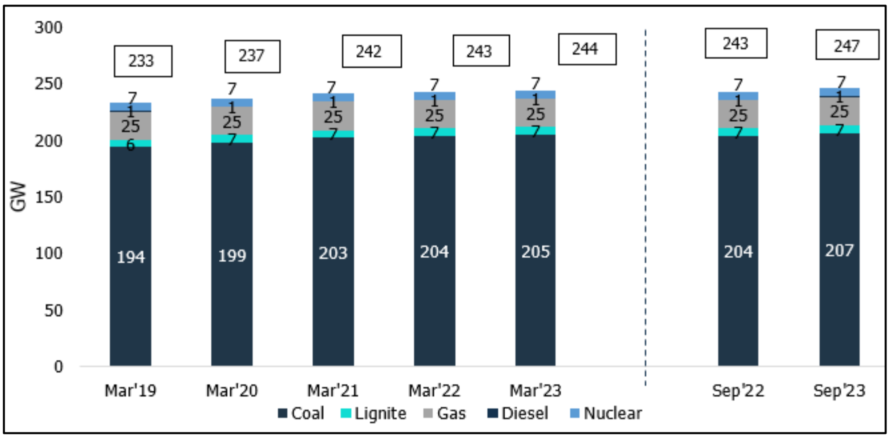
Renewable accounts for 42% of the total power generation capacity of which solar accounts for the largest share of 17% followed by hydro at 11% and wind at 10%.

Conventional Power

Conventional power includes power generated from thermal sources i.e. coal, lignite, gas, diesel and nuclear energy. The conventional power generation capacity has increased from 233 GW in Fiscal 2019 to 244 GW in Fiscal 2023, and 247 GW in September 2023.

India is majorly dependent on fossil fuels for power generation even as the installed and generation capacity of renewables is increasing. Coal continues to be the backbone of India's energy sector, accounting for 69%, as of September 2023, of the country's energy mix, the third largest among Group of 20 (G20) countries. With abundant local reserves, India has the world's fifth largest proven coal reserves.

Installed Capacity in India- Conventional (Thermal + Nuclear)



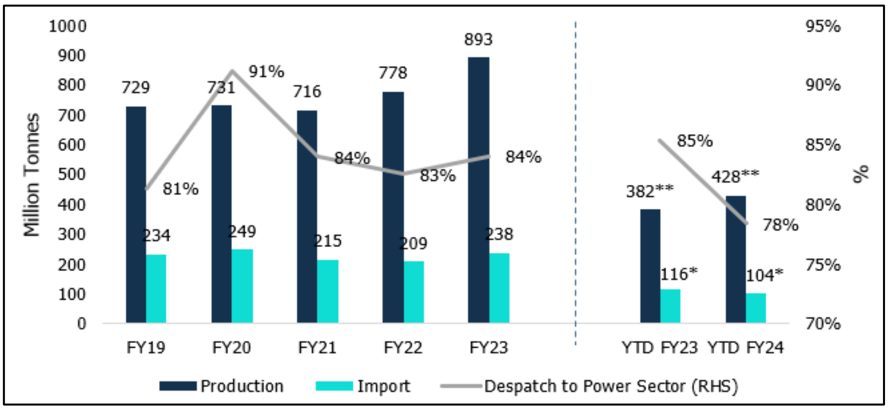
Source: CEA, CareEdge Research

Thermal

Coal

India has the world's fifth largest known coal reserves of 361,411 million tonnes as on April 2022. The all India coal production stood at 893 million tonnes in Fiscal 2023 and 293 million tonnes between April 2023 - July 2023, with a year-on-year growth of around 14.8% and 10%, respectively. The dispatch of coal to the power sector was at its peak of 91% during Fiscal 2020. Since then there has been a shift and decrease in the dispatch of coal to power sector.

Coal production, import and despatch to power sector trend in India

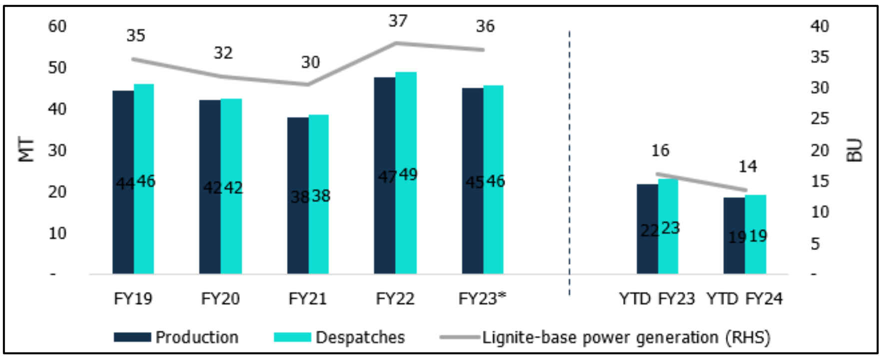


**Indicates numbers upto August; ** Indicates numbers from April 2023 – September 2023; Source: Ministry of Coal, CareEdge Research*

Lignite

India has around 40.9 billion tonnes of lignite reserves which are mainly found in Tamil Nadu. Currently, only a small percentage of lignite reserves are exploited and there is considerable scope of use of lignite in thermal power stations. As on September 2023, India has around 6,620 MW of lignite-based installed power generation capacity.

Lignite production and despatch, electricity generated



Source: CMIE, National Power Portal, Ministry of Coal, CareEdge Research, YTD denotes April-September

Natural Gas

India has announced its target to raise the natural gas portion of its primary energy mix to 15% by 2030, up from 6% in 2019. The government has taken a number of steps to promote this goal, including increasing domestic production, facilitating imports, and encouraging demand.

Diesel

A diesel power plant consists of two or more diesel generators that operate in parallel. Diesel power generation is used in areas that are not connected to the power grid or are isolated like islands. The installed capacity for grid connected diesel-based power plant was 589 MW as on May 2023.

Nuclear

India has 23 nuclear reactors in operation at seven nuclear power facilities, with a total installed capacity of 7 GW as on March 2023. Nuclear power plants generated 46 BU in Fiscal 2023, accounting for 3% of India's total electricity output. A total of ten additional reactors with a combined generation capacity of 8,000 MW are now under development.

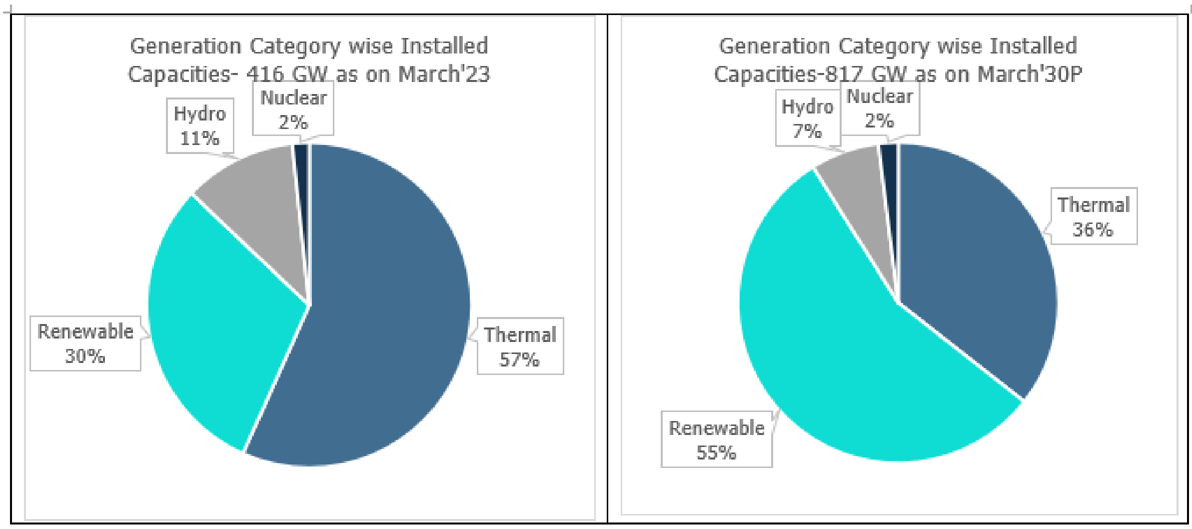
Renewable Power

Installed capacity of renewable energy including hydro power has increased from 123 GW in Fiscal 2019 to 172 GW in Fiscal 2023. The total potential of renewable power in India is estimated to be 1,639 GW.

India's renewable installed capacity has increased due to increased support from the government and increased economies. The sector has also become attractive for the investors. India has made a commitment to decrease the emissions intensity of its GDP by 45% by 2030, compared to 2005 levels. Additionally, India aims to attain a non-fossil fuel-based installed power generation capacity of approximately 50% (500 GW) by 2030. These targets were proposed at the 26th session of the Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change, which took place in Glasgow, United Kingdom, in November 2021. The ultimate objective is to achieve a net-zero emissions target by the year 2070. This further reiterates India's commitment and focus towards renewable energy additions in the future.

The GoI has highlighted priority areas for Renewable Energy (RE) generation, including RE component manufacturing (solar modules, hydrogen electrolysers, battery storage, among others), green energy corridor, green hydrogen production, utility-scale battery storage, pumped storage hydro and rooftop solar power. Further with the announcement of 500 GW RE capacity installation by 2030 and Net-Zero emissions by 2070, India has set itself on one of the most accelerated energy transition trajectories in the world.

Share of Installed Capacity as on March 2023



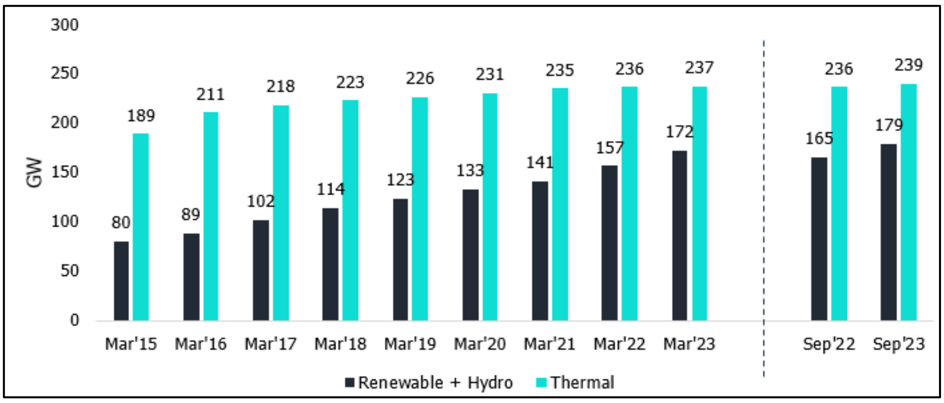
P-Projected; Source: CEA, CareEdge Research

The total installed power generation capacity is expected to reach 817 GW as on March 2030. The share of renewable energy (excluding hydro power) is expected to increase from 30% as on March 2023 to 55% in March 2030 while the share of thermal power is expected to reduce from 57% to 36% over the same period.

RENEWABLE SOURCES V/S CONVENTIONAL SOURCES

Share of renewable energy in the total power generation increased from 17% in Fiscal 2015 to 23% in Fiscal 2023. The CAGR in thermal installed capacity for the last five years was 2.9% whereas for renewables it was 10%, indicating a shift in trend from thermal to renewables.

Installed Capacity- Renewable v/s Thermal



Source: CEA, CareEdge Research; Note: Thermal excludes nuclear power

India's current electricity generation is highly reliant on non-renewable natural resources like coal. Renewable energy mainly solar and wind, backed by batteries and other green technologies like electric vehicles and green hydrogen are recognized by the government as necessary alternatives to high-emitting fossil fuel generation plants. Renewable energy market of India is one of the most attractive market globally due to its large targeted capacity additions, strong government support and favourable policies.

The support and implementation of policies by the government has been playing a vital role in aiding India's renewable sector and has led the sector becoming attractive for investors. The policies include National Solar Mission, International Solar Alliance, Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan, Green Energy Corridor, National Solar-Wind Hybrid Policy, National Offshore Wind Energy Policy, Hydro Policy Notification, Renewable Purchase Obligation ("**RPO**") Trajectory. Other special measures include Round-The-Clock Power from RE power plants, hybrid projects, solar cities, waiver of inter-state transmission system charges, enhancing domestic manufacturing, must run status for renewable projects, concessional open access charges.

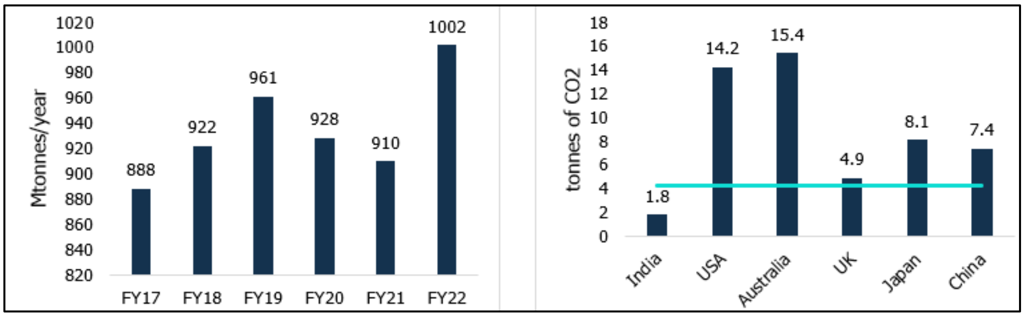
Benefits of Renewable over Conventional Sources:

Fewer environmental concerns unlike thermal power plants

One of the biggest challenges involved with the conventional source is the environmental contamination. Coal combustion at thermal power plants emits carbon dioxide ("$\mathbf{CO_2}$"), sulphur oxides, nitrogen oxide, chlorofluorocarbon and other gases, and inorganic pollutants like fly ash.

As per the UN Human Development Report 2021/2022, the per capita carbon dioxide emission of India is around 1.8 metric tonnes as compared to the world average of 4.3 tonnes.

About half of the total carbon dioxide emission of India is estimated to be generated by the power sector while other sectors contributing to it are transport and industrial sector. As per a report by International Energy Agency, around 30% of the carbon emission is by the industrial sector and 13% can be attributed to transport sector.



Source: National Electricity Plan Vol 1 (March 2023), UNDP Human Development report 2021/22, CareEdge Research

Majority of the coal-fired power plants are inefficient and run on older subcritical technologies. These technologies utilize more coal per MWh of electricity generated. Air pollution, water pollution, noise pollution and land degradation are some of the environmental and health risk posed by the thermal power plants.

Weighted average specific emissions for fossil fuel fired stations for 2020-2021

	Coal	**Diesel**	**Gas**	**Lignite**
tCO2/MWh (net)	0.975	-	0.465	1.28

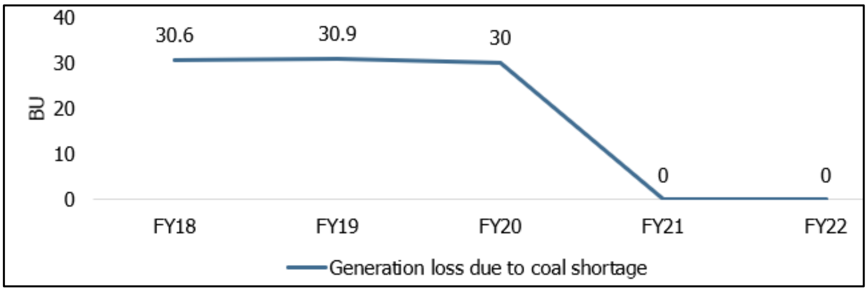
Source: National Electricity Plan Vol 1 (March 2023), CareEdge Research

The GoI has taken various measure to reduce the environmental emission which include improving the efficiency of power generation, notification of stricter environmental norms and retiring old thermal plants.

Abundant availability of resources

While the traditional thermal power generation requires fuels like coal, lignite, gas and diesel which are available in limited quantity and the resources deplete on usage, renewable power sources are abundantly available in nature and do not deplete. From Fiscal 2018 to Fiscal 2020, there was around 30 BU of loss in generation due to coal shortage which has reduced to zero in Fiscal 2021 and Fiscal 2022 due to import of coal to meet the increasing demand. The loss of generation due to coal shortage as reported by the power utilities between Fiscal 2018 to Fiscal 2022 is given as below:

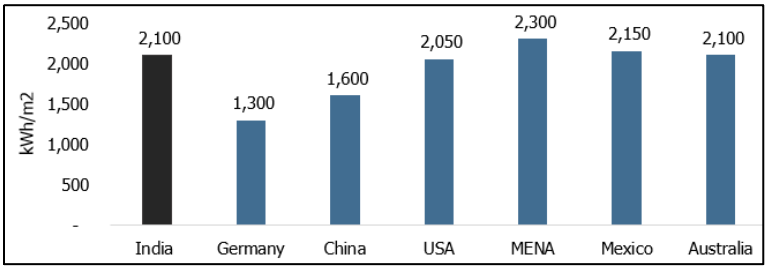
Generation loss due to coal shortage



Source: National Electricity Plan Vol 1 (March 2023), CareEdge Research

India has a large amount of solar energy potential with incidence of approximately 5,000 trillion kWh of energy over India's geographical area each year. Among various countries like Germany, China, USA, among others. India has the highest solar irradiance. The abundance of solar irradiance and availability of solar energy throughout the year has created enormous opportunities to exploit solar energy especially in states like Rajasthan, Gujarat, and Andhra Pradesh.

Solar Irradiance data – India and World (kWh/m2)



Source: Solargis, CareEdge Research

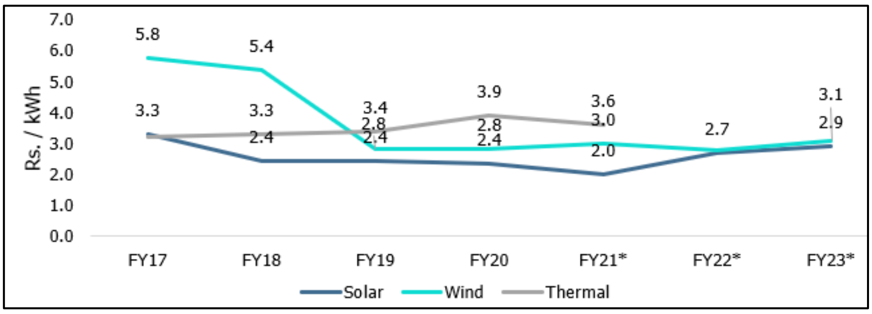
Wind is an intermittent and site-specific resource of energy and therefore, an extensive Wind Resource Assessment is essential for the selection of potential sites. The GoI, through National Institute of Wind Energy, has installed over 800 wind-monitoring stations all over country and issued wind potential maps at 50m, 80m, 100m and 120m above ground level. The recent assessment indicates a gross wind power potential of 302 GW in the country at 100 meter and 696 GW at 120 meter above ground level. Most of this potential exists in seven windy states including Andhra Pradesh, Gujarat, Karnataka, Maharashtra, Rajasthan, Tamil Nadu and Telangana.

Lower Tariffs as compared to thermal power plants

Clean generation technologies like solar and wind are becoming increasingly cost competitive compared to the traditional technologies. The tariffs of wind and solar projects have declined sharply in comparison with thermal power projects in the past few years. Solar tariffs have reduced from ₹ 6.47/ Kwh in Fiscal 2014 to ₹ 2.9/ Kwh in Fiscal 2023, driven by declining solar panel prices, supportive government policies, technological advancements and intense competition resulting in significantly lower tariffs than the thermal power tariffs.

A similar drop was observed in wind power when the procurement process was changed from Feed in Tariff to bidding in 2017.

Trend in Tariff of Solar and Wind as compared to thermal power projects (₹/kWh)



** Tariff represents average of bids during the respective periods; Note: Thermal tariffs for Fiscal 2022 and Fiscal 2023 are not available*
Source: MNRE Annual Report, CareEdge Research

Lower offtake risk

DISCOMs purchase power from multiple power producers, across various generation types and under different contractual frameworks. Since renewable energy have the must run status, the electricity from these renewable plants cannot be curtailed for any commercial reasons. This reduces the offtake risk since in case of excess supply or availability of cheaper power, the DISCOMs cannot curtail the RE power or refrain the power producers from generating or dispatching power.

Low risk of completion compared to thermal projects

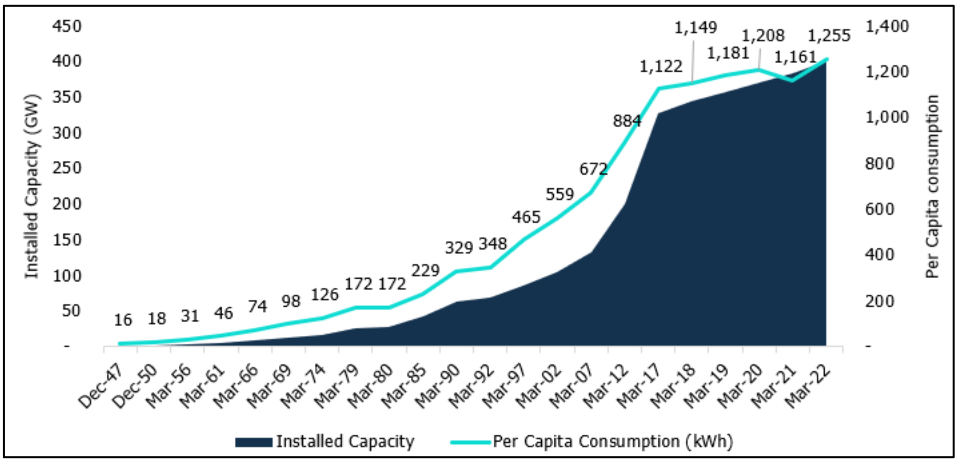
Renewable energy (solar and wind) plants are easier to construct in terms of complexity and take less time as compared to the coal and gas fired plants. Further, they are easier to maintain. Hence the risk of completion in solar and wind projects are lower compared to thermal and nuclear projects.

Construction time for various type of power projects

Sr. No.	Resource	Construction Time (in years)
1.	Coal	4
2.	Solar	0.5
3.	Wind (Onshore)	1.5
4.	Wind (Offshore)	1.5

Source: National Electricity Plan Vol 1 (March 2023), CEA, CareEdge Research

Growth of Electricity Sector in India - Installed Capacity and Per Capita Consumption*



Source: CEA, CareEdge Research

(*) Per Capita Consumption= Gross Electricity availability/ Mid-year Population

Developed countries such as Japan and the United States have the world's highest per capita electricity consumption. India's per capita consumption has remained low as compared to even the emerging countries like Brazil and Mexico, implying significant room for growth.

Global Per Capita Consumption Comparison (MWh/Capita)

Year	World	India	Nigeria	Mexico	Thailand	Brazil	China	Japan	USA
1990	2.06	0.32	0.11	1.14	0.70	1.46	0.53	6.71	11.69
1995	2.14	0.46	0.11	1.38	1.25	1.63	0.79	7.53	12.64
2000	2.32	0.51	0.09	1.76	1.45	1.90	1.02	8.05	13.66
2005	2.58	0.61	0.13	1.98	1.91	2.02	1.81	8.30	13.68
2010	2.87	0.77	0.14	2.02	2.31	2.37	2.96	8.78	13.38
2015	3.06	1.01	0.15	2.23	2.58	2.56	4.05	8.01	12.86
2019	3.30	1.18	0.10	2.40	2.90	2.60	5.10	7.90	12.70

Source: IEA, CEA (For India), CareEdge Research

Data for India is as per Fiscal while for others it is calendar year.

India is among the top nations in the world which are leading the global renewable energy growth. On technology specific installed capacity, India ranks 3rd in onshore wind, 5th in Solar, 4th in Bioenergy and 6th in Hydro as per International Renewable Energy Agency renewable capacity statistics 2023.

List of top 10 countries – Installed Capacity Statistics 2023 (As on December 2022)

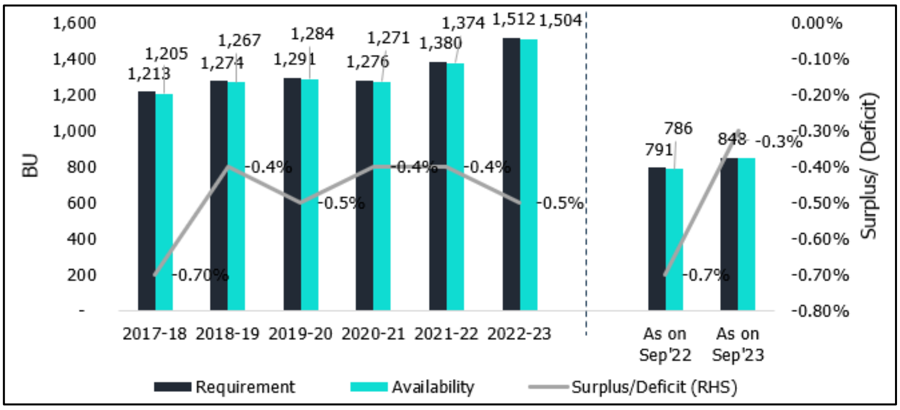
Ranking	Technology Specific Ranking by Installed Capacity					Ranking - Total Renewable Installed Capacity
	Onshore Wind	Offshore Wind	Solar	Bioenergy	Hydro	
1	China	China	China	China	China	China
2	USA	UK	USA	Brazil	Brazil	USA
3	Germany	Germany	Japan	USA	USA	Brazil
4	India	Netherlands	Germany	India	Canada	India
5	Spain	Denmark	India	Germany	Russia	Germany
6	Brazil	Belgium	Australia	UK	India	Japan
7	France	Vietnam	Italy	Japan	Japan	Canada
8	Canada	Chinese Taipei	Brazil	Thailand	Norway	Spain
9	UK	France	Netherlands	Sweden	Turkey	France
10	Sweden	Sweden	Korea	Italy	France	Italy

Source: IRENA Renewable Capacity Statistics 2023, CareEdge Research

Power demand, supply and deficit in India

Power demand in the country has been on a rise in the past decade, with an exception during Fiscal 2021 due to the Covid-19 pandemic. Peak energy demand grew at a CAGR of 4.7% from 148 GW in Fiscal 2014 to 216 GW in Fiscal 2023, while peak supply grew at a CAGR of 5.3% over the same time period. There has also been a decrease in the peak shortage from 6.1 GW in Fiscal 2014 to 2.4 GW in Fiscal 2022, and decline in the power deficit of the country supported by improving supply. However, in previous year i.e. Fiscal 2023, there was a significant increase in peak shortage to 8.6 GW.

Power Supply Position in India



Source: Power Ministry, CEA, CareEdge Research

The electricity requirement has grown from 1,274 BU in Fiscal 2019 to 1,512 BU in Fiscal 2023. There has been a continuous deficit between electricity requirement and availability of around 0.4%-0.5% between Fiscal 2019 and Fiscal 2023. During April-September 2023, the electricity demand stood at 848 MU, an increase of 7% year-on-year, while the deficit was 0.3%. The peak demand not met was around 3.31 GW in FY18 and the average energy not supplied was around 8,629 MU. The peak demand not met and energy not supplied has been on a downward trend and has substantially decreased to 2,475 MW and 5,787 MU, respectively, in Fiscal 2022. However, in Fiscal 2023, due to very high demand of power, the peak demand not met was 8.6 GW and energy not supplied increased to 7,582 MU. In April-September 2023, the peak demand not met was 731 MW and the energy not supplied was 2,444 MU. There was a 9.6% year-on-year increase in the power requirement by the country in Fiscal 2023. The power consumption and demand were highest in months of March and April due to higher temperatures during the summer season compared to last year.

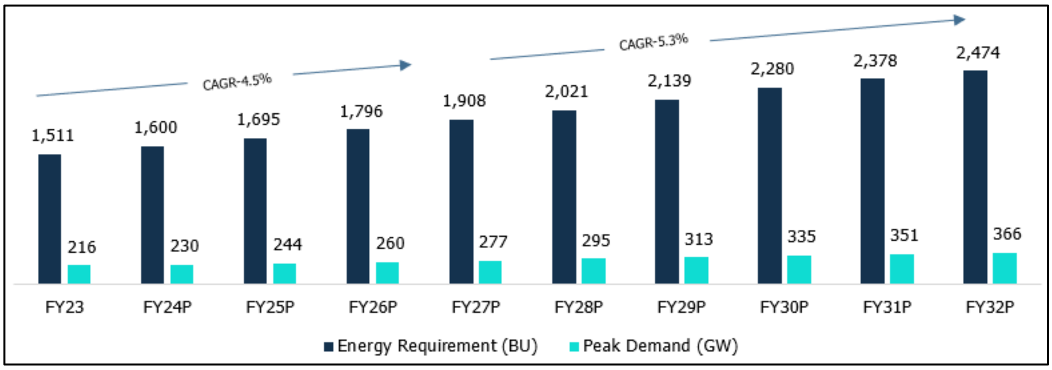
OUTLOOK AND GROWTH DRIVERS

According to the 20th Electric Power Survey of India, the all India peak electricity demand projected for Fiscal 2027 is 277 GW and energy requirement is projected at 1,908 BU. Going forward, the power demand is further expected to rise with rise in population and increased economic activity. The CAGR between Fiscal 2024 and Fiscal 2027 is expected to be around 4.5% for energy requirement while for peak demand it is expected to be around 4.8%. For Fiscal 2027 to Fiscal 2032, the CAGR is on a higher side at 5.3% for energy requirement and 5.7% for peak demand.

The government has taken various steps to meet the peak demand of power such as:

- 175 GW of power generation capacity, 1,733,459 ckt kms of transmission lines and 621,176 MVA of transformation capacity has been added to the grid from 2014 till December 31, 2022.
- Schemes like Deen Dayal Upadhyaya Gram Jyoti Yojana/ Pradhan Mantri Sahaj Bijli Har Ghar Yojana/ Integrated Power Development Scheme have strengthened the distribution system.
- 100% FDI through automatic route for power generation projects.
- Private sector participation in generation and transmission through notification of revised Tariff Policy on January 28, 2016.
- For promoting generation, purchase, consumption of green energy the Green Open Access Rules, 2022 have been notified on June 6, 2022.
- Revamped Distribution Sector Scheme (RDSS) launched in 2021 for improving the financial sustainability and make operationally efficient distribution sector.
- The Electricity Amendment Rules, 2022 has been notified on December 29, 2022 which mandate preparation of resource adequacy plan so as to successfully meet the power demand of the consumers.

Projected All India Peak Demand and Energy Requirement



**Projected; Source:20th Electric Power Survey of India, CareEdge Research*

The growth drivers for the increasing power demand are mentioned as below.

Growth drivers for power demand

GDP and energy intensity

India has latent power demand because of its low per capita power consumption, strong GDP outlook and growing population. India is likely to emerge as one of the world's fastest growing economy as per IMF which is expected to lead to an increase in the power demand of the country.

Urbanization

Urbanization leads to faster infrastructure development, job creation, development of the consumer and services sectors, and hence is a major driver for the growing power demand. The urban consumption is increasing due to rising disposable income, favourable demographics and the trend is likely to continue.

Demand for Round-The-Clock power

Recently, there has been a significant focus on blending two or more energy sources like wind-solar hybrid to achieve better synergies, higher plant load factor and better energy gains. The wind and solar energy have complementary generation patterns and hence provide smooth output. Round-The-Clock ensures quality clean power is made available round the clock, mixing renewable with conventional energy sources for stable power and utilization of existing coal-based plants.

Rural Electrification

The GoI has taken joint initiative with the state governments for providing Power for All ("**PFA**") to all households/homes, industrial and commercial consumers including supply of power to agricultural consumers. PFA initiative along with rural electrification across various states aims to ensure 24X7 electricity access, enhance the satisfaction levels of the consumers, improve quality of life of people and increase economic activities resulting in development. This is one of the key drivers for the growing power demand.

Deen Dayal Upadhyaya Gram Jyoti Yojana was launched in December 2014 with the objective of electrification of all un-electrified villages as per Census 2011 by the GoI. Similarly, Pradhan Mantri Sahak Bijli Har Ghar Yojana ("**SAUBHAGYA"**) was launched in October 2017 for electrification of rural and urban poor households in the country.

Schemes like Integrated Power Development Scheme with an outlay of ₹ 326.12 billion including a budgetary support of ₹ 253.54 billion from the GoI have been approved. Other schemes like Deendayal Upadhyaya Gram Jyoti Yojana, Pradhan Mantri Sahaj Har Ghar Yojana, have also been announced.

Make in India push

The Make in India Initiative which aims to boost manufacturing's share in the GDP would lead to substantial growth in electricity demand.

Cross border power trading in South Asian countries:

Power deficit in India has been on a declining trajectory and India is expected to further expand its generation capacity. India is also evaluating opportunities with neighbouring countries such as Nepal, Bangladesh, Sri Lanka, Maldives and Bhutan for better integration and synergies by interlinking electricity transmission systems and allowing surplus power to be exported to other grids.

Railway Electrification

A lot of emphasis is given to railway electrification with the view to reduce the nation's dependence on the imported coal and petroleum-based energy and with a vision of providing eco-friendly, faster and energy-efficient mode of transportation. In the past nine years, the pace of electrification has increased significantly with a record breaking 37,011 route kms ("**RKM**") of tracks being electrified.

A total of 58,424 RKMs have been electrified, nearly 50% was completed in the last five years alone. 100% railway electrification in 14 states/UTs has been achieved making significant strides. Electrification of 6,542 RKMs has been achieved in Indian railways history during Fiscal 2023, registering an increase of 2.76% over last year. Government plans to fully electrify railway network by 2024. To support the electrified railway network, close to 30 billion units of electricity shall be required on an annual basis by 2024.

Electrification of Mobility Infra

The global market for EVs is growing. As per the International Energy Agency, the global EV fleet will reach about 130 million by 2030, a sharp rise from just more than 5.1 million in 2018. The growth of EV segment in India has also been on an increasing trend. The penetration of EVs has increased to 5% of the total vehicle sales in Fiscal 2023. The EV sales have witnessed massive growth in Fiscal 2023 on account of favourable government policies for EVs supporting reduction in upfront cost and expansion of charging infrastructure, rising fuel prices and shifting consumer preferences**.** The 2-wheeler and 3-wheeler segments dominate the electric vehicles market in India, comprising of around 62% and 34%, respectively, of total EV sales in year Fiscal 2023. Electric two-wheelers are a key segment of the electric vehicle market in India, with growing interest among consumers and increasing government support for electric mobility. On the other hand, electric three-wheelers are also an important mode of public transportation in India, particularly for last-mile connectivity and intra-city transportation. The GoI has targeted 30% EV penetration by 2030. NITI Aayog projects EV sales penetration of 80% for two and three wheelers, 50% for four wheelers, and 40% for buses by 2030. As EV adoption grows, there will be additional power demand for EVs and hence readiness of the electricity grid to EV charging demand is critical to achieve rapid and large-scale transition to EVs. The total electricity demand for EVs, at 33% EV penetration rate by 2030, is projected to be 37 TWh as per NITI Aayog 2021 report. This constitutes less than 2% of the total electricity demand across the country by 2030. Therefore, meeting the overall energy demand for EVs in India can be met going forward.

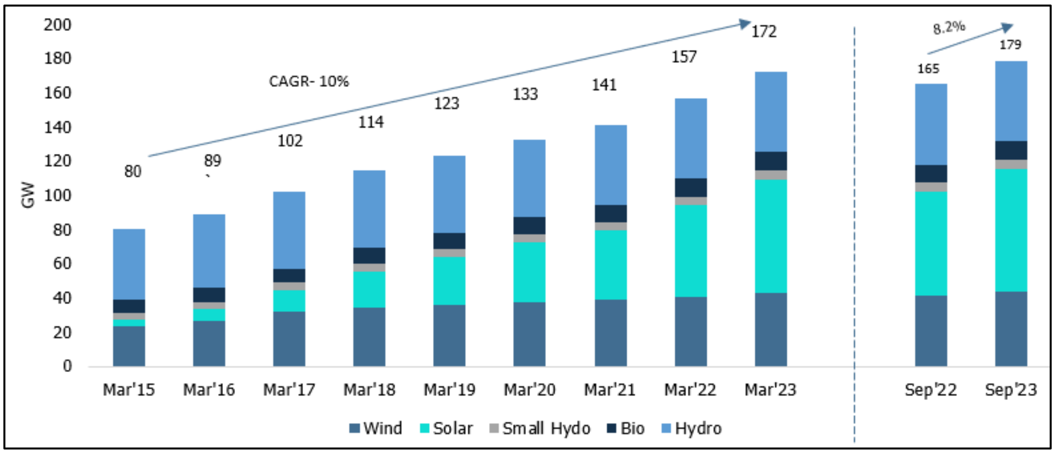
Renewable Energy

Overview

There has been a significant shift globally in the generation capacity mix due to the growing concerns towards the environment and climate change. India is an active participant and has taken initiatives towards sustainable development and cleaner environment including significant additions of renewable energy generation capacity.

As per REN21 Renewables 2022 Global Status Report, India currently ranks 4th globally in total renewable energy installed capacity, wind power capacity and solar power capacity with generation from non-fossil fuel sources being 41% of the total installed generation capacity in 2022. The total potential of renewable power in India is estimated to be 1,639 GW as compared to installed capacity of 179 GW as on September 2023. The installed capacity of renewable energy has grown by 92 GW over Fiscal 2015 - Fiscal 2023, implying a CAGR of around 10%.

Renewable Energy – Trend in Installed Capacity



Note: Small Hydro denotes projects up to 25 MW, Hydro Power Plants denotes projects more than 25 MW
Source: CEA, CareEdge Research

Solar:

In the last nine years, solar power capacity has risen manifold, from 4 GW in March 2015 to 72 GW as on September 2023, supported by MNRE. Solar tariffs in India are now highly competitive and have reached grid parity. Along with large scale grid connected solar PV, there is development of off-grid solar projects for local needs in India. Solar energy in India has emerged as a significant player in the grid connected power generation capacity over the years and various initiatives by the government like National Solar Mission, Solar Park Scheme, VGF Schemes, CPSU Scheme, Canal and Canal top Scheme, Grid Connected Solar Rooftop Scheme, among others. have helped solar to grow fastest among other renewable energy sources. As per Central Electricity Authority, as on July 2023, solar projects aggregating 36.27 GW are under construction.

Wind:

With a total installed capacity of 44 GW (as of September 2023), India has the fourth largest wind installed capacity in the world. The pace of capacity additions in wind has slowed down in the past few years due to non-availability of favourable wind sites, policy structure moving away from feed-in-tariff mechanism to competitive bidding, removal of generation-based incentives ("**GBI**") and accelerated depreciation ("**AD**") benefits, among other. These factors are expected to continue to affect future capacity additions in wind.

As per Central Electricity Authority, as on July 2023, wind projects aggregating to 17.23 GW are under construction.

Hydro:

India has the fifth-largest installed hydroelectric power capacity in the world. India's installed utility-scale hydroelectric capacity was 47 GW as on September 2023, accounting for 11% of the country's total utility power generating capacity. Hydro projects aggregating to 10.9 GW are under construction and are likely to be completed between Fiscal 2024 and Fiscal 2027.

Small Hydro

The MNRE is in charge of constructing small hydro power projects, i.e. hydro power projects with a capacity of up to 25MW. As on September 2023 the total installed capacity is 4,982 MW while another 277 MW are under construction.

Bioenergy:

Power generation from bioenergy and waste to energy offers good potential in rural areas especially if they are far from the grid. The total power generating capacity is 10,835 MW as on September 2023. Gasification based (bioenergy) power projects of aggregate capacity of 59.25 MW are under construction along with 227.25 MW of waste to energy and co-generation projects.

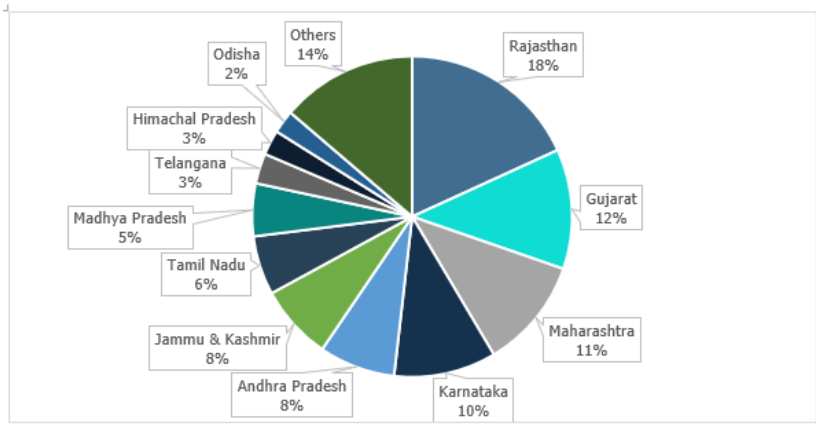
Physical Progress cumulative up to September'23 (GW):

Sector	Cumulative up to September 2023	Under Construction as on July 2023	Tendered as on July 2023	Potential (GW)
Hydro Power	46.9	10.9	0	148
Wind Power	44.2	17.23	1.2	695
Solar Power	71.8	36.27	20.3	750
Small Hydro Power	4.9	0.3	0	21
Bioenergy- Biomass (Bagasse) Cogeneration	9.4	0	0	22
Bioenergy- Biomass (Non-Bagasse) (Cogeneration/ Captive Power)	0.8	0	0	
Waste to Power	0.2	0	0	3
Waste to Energy (Off-grid)	0.3	0	0	
Hybrid/ Round the clock/ Thermal + RE bundling	-	-	11.0	0
Total	**178.6**	**64.7**	**33**	**1,639**

Source: MNRE, Energy Statistics India 2023, CareEdge Research

The MNRE has declared a quarterly plan for bids for Fiscal 2024, which includes bids of around 15 GW of renewable energy in first and second quarter of Fiscal 2024 and around 10 GW of renewable energy in third and fourth quarters of Fiscal 2024. The targeted capacity for Fiscal 2024 will be allocated among the four Renewable Energy Implementing Agency i.e. Satluj Jal Vidyut Nigam ("**SJVN**"), Solar Energy Corporation of India Ltd. ("**SECI**"), National Thermal Power Corporation ("**NTPC**") and National Hydro Electric Power Corporation ("**NHPC**"). The state-wise potential of renewable energy is as below. Rajasthan, Gujarat, Maharashtra, Karnataka and Andhra Pradesh are top five renewable energy potential states.

State-wise estimated potential of renewable power in India



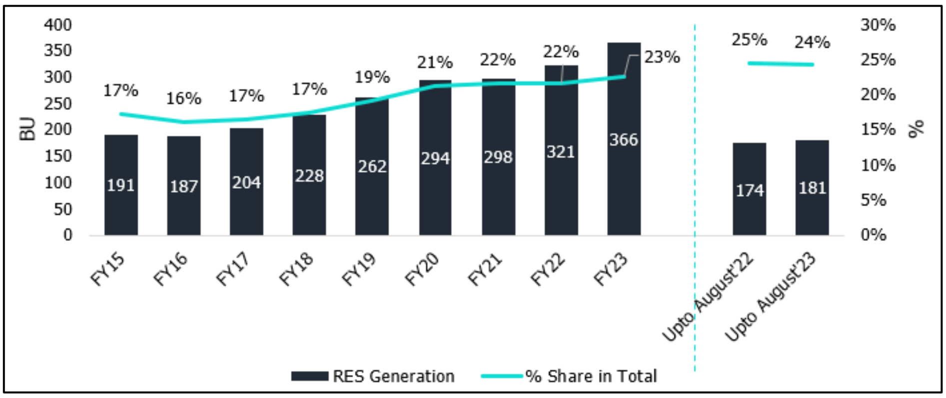
**Excluding Hydro power; Source: Energy Statistics India 2023, CareEdge Research*

Trend in Renewable Generation

India is the world's third-largest producer of energy and is also the second largest consumer of electricity.

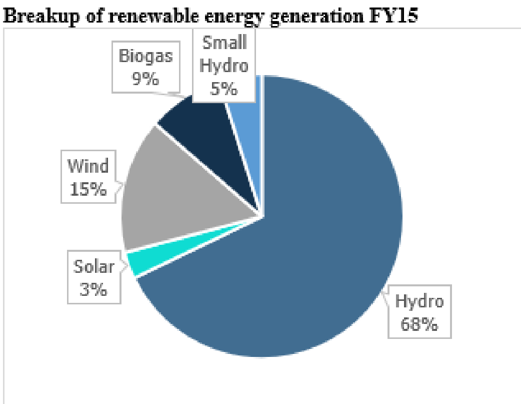
While conventional sources (thermal power comprising of coal, lignite, gas and diesel-based power plants) currently account for 58% of installed capacity, installed capacity of RES, which currently accounts for 42%, is expected to contribute equally as the conventional sources in the long term supported by GoI's ambitious projects and targets.

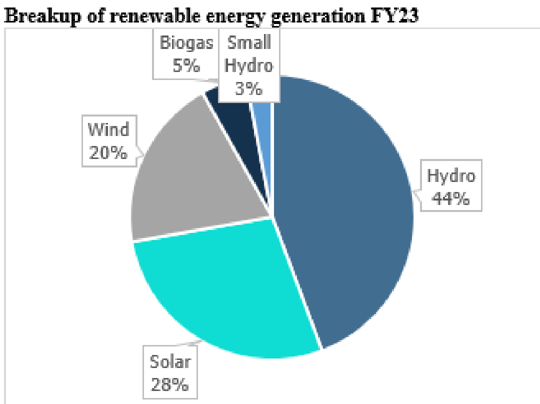
Share of Renewables in total power generation



RES includes Solar, Wind, Hydro, Small Hydro and Bioenergy; Source: CEA, CareEdge Research

In Fiscal 2015, the power generated from renewable sources including hydro was 191 BU which has increased to 366 BU in Fiscal 2023, growing at a compounded annual growth rate of 8.5%. The share of renewable also increased from 17% in Fiscal 2015 to around 23% in Fiscal 2023. In Fiscal 2015, hydro power had the largest share in renewable energy generation at 68% followed by wind at 9%. In Fiscal 2023, while hydro continues to have the largest share, it has decreased from 68% to 44%, and solar has emerged as the second largest with a share of 28% followed by wind.



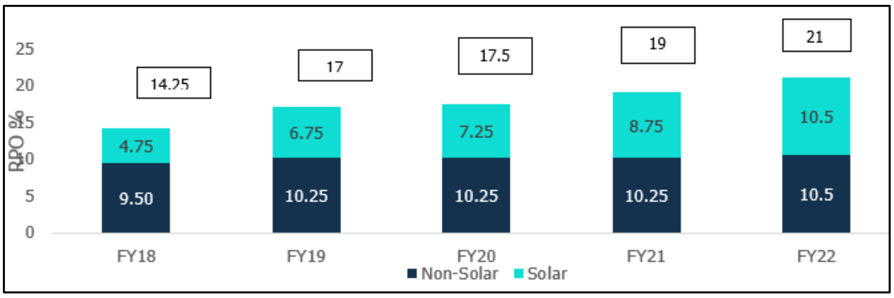


Source: CEA, CareEdge Research

Renewable Purchase Obligation (RPO)

Under Section 86(1) (e) of the Electricity Act 2003 and the National Tariff Policy 2006, RPO is a mechanism by which the obligated entities are obliged to purchase certain percentage of electricity from renewable energy sources, as a percentage of the total consumption of electricity or buy, in lieu of that, renewable energy certificates ("**REC**") from the market. RPOs were earlier categorized as solar and non-solar RPOs. However, as per the latest targets, RPOs are categorized as wind RPO, hydro RPO, distributed RPO and others. Obligated entities (which includes distribution companies (or DISCOMs), open access consumers and captive power producers) are obligated to purchase a minimum share of their electricity from renewable energy sources as per RPO targets. The RPO target set for Fiscal 2018 was 14.25% which was gradually increased to 21% for Fiscal 2022.

Long term RPO Trajectory

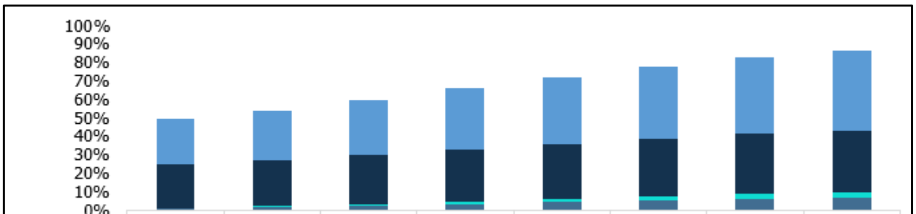


Source: National Portal for Renewable Power Obligations, MNRE, CareEdge Research

The Central Electricity Regulatory Commission has taken a position that it does not have the jurisdiction to enforce RPOs in the relevant states and that the responsibility of setting RPO targets and implementation rests with the State Electricity Regulatory Commissions ("**SERC**"s). However, some of the SERCs have not enforced RPOs and the market for RECs has not matured as originally expected when the legislation was adopted. However, revenue from REC sales has increased following the order of the Appellate Tribunal for Electricity to resume REC trading from November 24, 2021 after a ban on REC trading since July 2020.

A joint committee under the Co-chairmanship of Secretary, Ministry of Power and Secretary, Ministry of New and Renewable Energy was constituted on December 17, 2020 and based on the recommendations, Ministry of Power has specified the RPO trajectory beyond Fiscal 2022. As per the targets set, RPO of 43.33% is proposed to be achieved by Fiscal 2030.

RPO Trajectory from Fiscal 2023 to Fiscal 2030



	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Total RPO	24.6%	27.1%	29.9%	33.0%	36.0%	38.8%	41.4%	43.3%
Other RPO	23.4%	24.8%	26.4%	28.2%	29.9%	31.4%	32.7%	33.6%
HPO	0.4%	0.7%	1.1%	1.5%	1.8%	2.2%	2.5%	2.8%
Wind RPO	0.8%	1.6%	2.5%	3.4%	4.3%	5.2%	6.2%	6.9%

Wind RPO HPO Other RPO Total RPO

Source: Renewable Purchase Obligation and Energy Storage Obligation Trajectory Report dated July 22, 2023 Renewable Purchase Obligation and Energy Storage Obligation Trajectory Report dated October 20, 2023, Ministry of Power, CareEdge Research; Note: Distributed RPO is not available for FY23 and FY24

Wind RPO shall be met only through energy generated from wind power projects commissioned after March 31, 2024. Hydro purchase obligation shall be met only by energy generated from hydro power projects, pumped storage plants ("**PSPs**") and small hydro projects commissioned after March 31, 2024. Distributed renewable energy target shall be met from capacities of less than 10 MW, including various solar installation configurations such as net metering, gross metering, virtual net metering, among others. Other RPO targets shall be met by energy produced from any RE power projects not included above including all wind and hydropower projects commissioned before April 1, 2024.

Renewable Energy Certificates

Renewable energy sources are not evenly spread across the country and hence this inhibits the State Electricity Regulatory Commissions from specifying higher RPOs. In this context, RECs assume significance as it addresses the mismatch between availability of RE sources and the requirement of the obligated entities to meet their RPO. RECs are issued to eligible RE generators, distribution licensee, open access consumers and captive generating stations based on renewable energy. On January 14, 2010, CERC issued the Central Electricity Regulatory Commission Terms for recognition and issuance of RECs for enabling states to meet their RPO targets. The framework of REC is expected to give push to RE capacity additions in the country.

REC mechanism has provided an extra avenue for sale of renewable energy, the renewable energy generators may use either of the following ways for sale of energy: (i) Sale of electricity to obligated entities which include DISCOMs, captive power plants, open access consumers, among others, wherein the buyer uses the purchased electricity for compliance of RPO, and (ii) The renewable energy generator can set up the project under REC mechanism. Here the renewable energy generators sell the generated electricity to the local DISCOM at Average Power Purchase Cost or to the open access consumers at a mutually agreed rate. In this case, the buyer is not allowed to use the purchased renewable electricity for compliance of RPO but the energy sold to the purchaser is eligible for issuance of REC. RECs can be exchanged in CERC approved power exchanges and through electricity traders. The price of REC would be determined in power exchange. RECs are traded in power exchange within the forbearance price and floor price determined by CERC from time to time.

India's Renewable Energy Targets

India's installed renewable power capacity as on September 2023 stood at 179 GW, as per the break-up given in following table.

Renewable Energy Capacity as on September 2023 (GW)

	Capacity
Solar	71.7
Wind	44
Bioenergy	10.7
Large Hydro	46.8
Small Hydro-power	4.9
Total	***178.6***

Source: CEA, CareEdge Research

As India is committed to meet 50% of its energy requirements from renewable energy by 2030, non-fossil fuel based installed capacity target of 500 GW by 2030 has been set, with highest target for solar power.

Renewable Energy Capacity - Target for CY30 (GW)

	Target
Solar	270
Wind	117
Bioenergy	15
Small Hydro-power	5
Sub-Total	**407**
Large Hydro	72
Nuclear	21
Total	**500**

Source: Thirty-Fourth Report of the Standing Committee on Energy on Demands for Grants (2023-2024) (17th Lok Sabha) of the MNRE, CareEdge Research

Solar Power in India

Overview

India has a significant amount of solar energy potential. Approximately 5,000 trillion kWh of energy is incident over India's geographical area each year incident over India's land area with most parts receiving 4-7 kWh per square meter per day. Further, solar PV power can effectively be harnessed, providing huge scalability in India and at the same time, has the ability to generate power on a distributed basis and enables rapid capacity addition with short lead times.

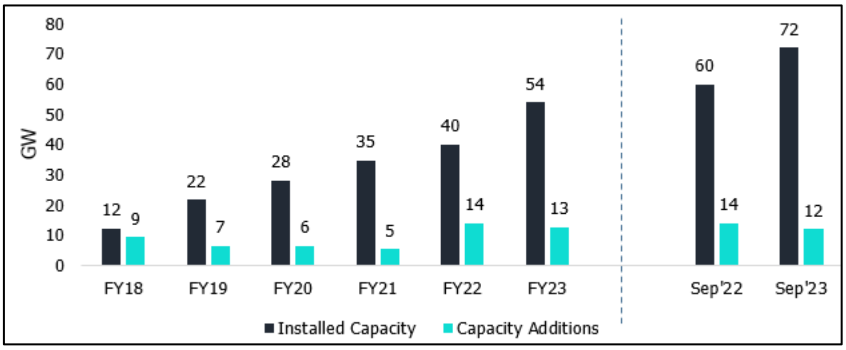
India has a solar potential of 749 GW, assuming that solar PV modules cover 3% of the waste land area. Comparatively, India had an installed capacity of 72 GW of as on September 2023. The top ten states, which account for around 75% of the total solar potential, have an installed capacity of 65 GW, which is only around 9% of their potential and hence there is a significant untapped solar potential across India.

Top 10 states by potential

States	Potential (MW)
Rajasthan	1,42,310
Jammu & Kashmir	1,11,050
Maharashtra	64,320
Madhya Pradesh	61,660
Andhra Pradesh	38,440
Himachal Pradesh	33,840
Gujarat	35,770
Odisha	25,780
Karnataka	24,700
Uttar Pradesh	22,830
Sub-total Top 10 States	5,60,700
Other states	1,88,280
Total	**7,48,980**

Source: Annual Report 2022-23, MNRE, CEA, CareEdge Research

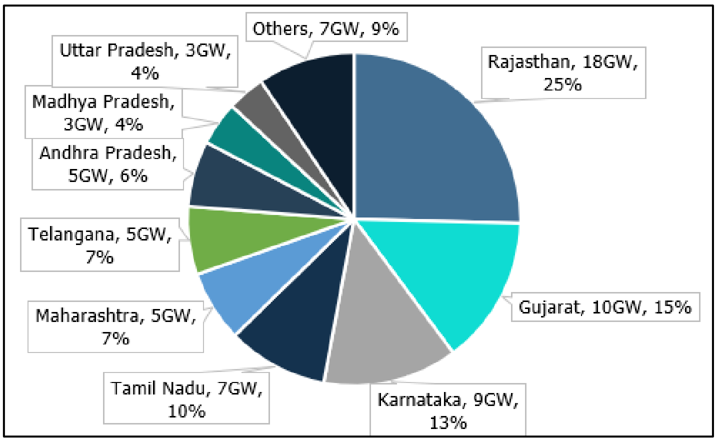
Trend in Solar Installations



Source: MNRE, CareEdge Research

Out of the total installed capacity of 72 GW, Rajasthan has the highest installed capacity of 18 GW constituting a 25% share, followed by Gujarat at 10 GW and Karnataka at 9 GW. Other states which hold major share in the installed capacity of solar power are Tamil Nadu, Maharashtra, Telangana, Andhra Pradesh, Madhya Pradesh and Uttar Pradesh. These other states together hold only 9% share in installed capacity which is approximately 7 GW.

State-wise installed capacity of solar as on September 2023

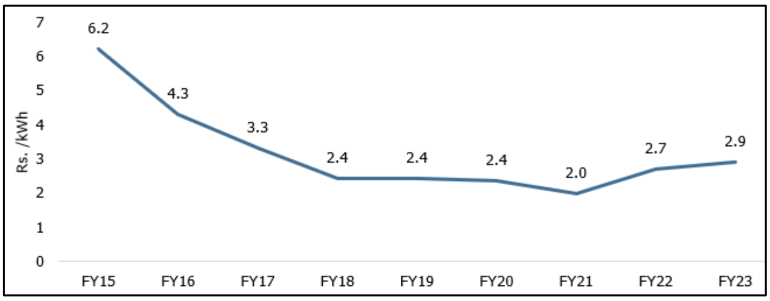


Source: MNRE, CareEdge Research

The capacity under construction or in advance stages of development that are likely to be commissioned during 2022 - 2023 to 2026 - 2027 is around 92.6 GW for solar while the capacity under construction as on March 2023 is around 36,270 MW.

Trend in Solar Tariffs

The solar tariffs in India are now competitive and have achieved grid parity due to technological improvements, economy of scale and reduction in solar cells/module prices. There has been a steep decrease in solar tariffs in India from ₹ 6.2 kWh in Fiscal 2015 to ₹ 2.9 kWh in Fiscal 2023.



Source: MNRE, CareEdge Research; Note: For Fiscal 2022 and Fiscal 2023, tariffs represent average of projects bid during the resp. periods.

The bid tariff rates during Fiscal 2023 was around ₹ 2.7 - ₹ 3 per unit. In Fiscal 2022, the bid tariff rates were around ₹ 2.7 per unit, which was 36% higher than Fiscal 2021 primarily due to the rise in equipment pricing, raw material cost, government duties and interest rates. Despite this, bid tariff rates remained lower than that of Fiscal 2015 levels.

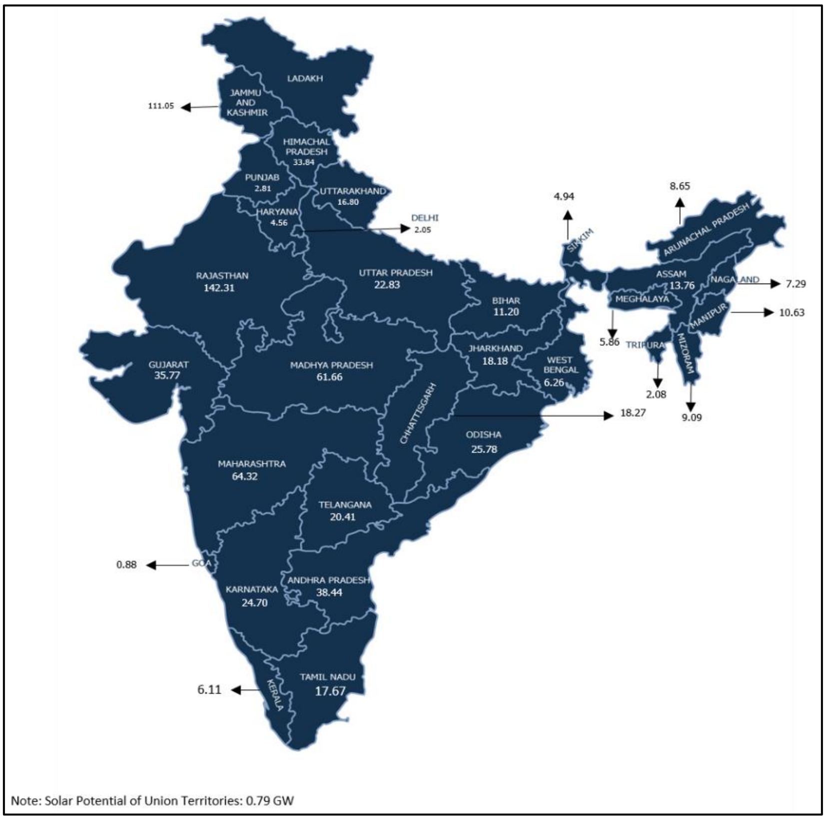
Demand Drivers and Challenges

Demand Drivers:

Significant untapped solar potential in India

India has a solar potential of 749 GW with installed capacity of 72 GW as on September 2023. The installed capacity is only around 9% of that of the potential indicating a significant untapped potential.

State-wise estimated solar power potential



Source: Annual Report 2022-2023, MNRE, CareEdge Research

Fewer environmental concerns unlike thermal power

There are no significant emissions during the generation of solar power. Therefore, there are fewer environmental concerns with solar power generation, unlike thermal power.

Falling RE Tariffs

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GoI's focus towards green energy and subsidy support

India's present electricity generation is highly reliant on non-renewable natural resources like coal. Government initiatives such as subsidy programmes and laws, are pushing power production firms to engage in this industry. Various government schemes like Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan Yojana (PM-KUSUM), Rooftop Phase-II, Atmanirbhar Bharat- PLI scheme in Solar PV manufacturing, imposition of Basic Customs Duty of 25% on solar cells and 40% on solar modules, 100% FDI, waiver of ISTS charges, setting up ultra-mega RE parks, grid connected rooftop solar scheme. To ensure timely payment to the RE generators, government has issued orders that power shall be dispatched against letter of credit or advance payment.

Adoption of ongoing technology innovations

The performance of solar power plants is defined by the Capacity Utilization Factor ("**CUF**"), which is the ratio of the actual electricity output from the plant to the maximum possible output during the year. There has been improvement in performance of the technology with more projects achieving projected PLF levels. In addition, innovations such as wind-solar hybrid, floating PV Projects and storage technologies, among others. are key drivers supporting the improvement in CUF.

Interest from international investors

Government's thrust on the sector, ambitious renewable energy targets and consistently growing power demand coupled with the security of government-backed 25-year power purchase agreements are key factors which are attracting the interest of global investors to the renewable energy sector in India. There have been investments worth USD 15 billion in Fiscal 2022, largely for generation assets in the renewable energy sector. It includes green bonds worth USD 4.7 billion and debt worth USD 1.8 billion from domestic and foreign lenders.

Challenges:

Counterparty risk in payment and signing of PPAs

The weak financial health of DISCOMs remains the biggest challenge for the Indian power sector. As the ultimate customers for solar power producers, their financial situation continues to be dire in most cases, and hence there have been consistent delays in payments. As of May 2023, the DISCOMs collectively owe ₹ 983.18 billion to various power generators. While the DISCOMs have faced several issues in the past including increasing debt levels, poor collection efficiency, high Aggregate Technical and Commercial losses and high Average Cost of Supply; ARR-Average Revenue Realized gap, the GoI has taken multiple initiatives over the past few years to improve the sector. DISCOMs have begun clearing the overdue amounts to generation company post government's imposition of late payment surcharge. The government also expects that the DISCOMs will be able to clear all their outstanding dues by 2026.

High dependency on imports

Important components such as solar cells, modules, and inverters are largely imported by India's solar sector. The government has taken a number of efforts to boost indigenous industry, including raising import duties. The present installed solar PV Cells manufacturing capacity in India is around 3 GW/year and around 10 GW/year in case of solar PV modules capacity. The government has issued the scheme guidelines for implementation of the Production Linked Incentive Scheme on National Programme on High Efficiency Solar PV Modules.

Indian solar power producers are still dependent on imports of solar modules mainly from China which accounts for about 90% of the total imports, followed by Hong Kong and Malaysia, assessed based on to the value of imports.

Increase in capital costs due to material costs

The solar power generation is capital intensive as a lot of equipment used in solar power are imported. The high module prices coupled with other problems such as land issues are factors impacting the growth of the solar power industry. Continued shortage of polysilicon, increased commodity prices and rupee depreciation have led to an increase in the module prices in the fourth quarter of Fiscal 2023. However, it is expected that in Fiscal 2024 the downward trajectory in solar modules prices will return with increase in supply of polysilicon and reduction in input costs. The Approved List of Models and Manufacturers ("**ALMM**") mandate, consisting of a list of manufacturers who are eligible to manufacture solar cell and modules types which are Bureau of Indian Standard certified, introduced in 2021 to boost the domestic manufacturing, has led to disruption in the completion of the solar projects.

Grid Integration

While the government has planned grid integration in line with renewable capacity additions, any delays in grid integration due to land acquisition, project execution delays, among others. For the additional solar capacity will impact the offtake of the projects.

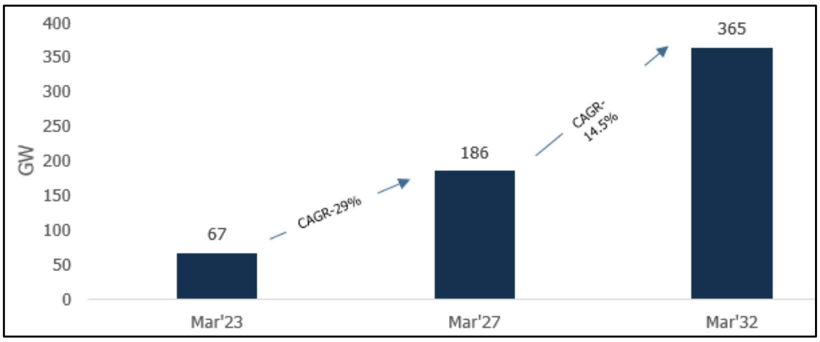
Not availability round the clock

Solar energy is intermittent in nature and is available only for certain hours during the day. Intensity of solar energy is also seasonal. Therefore, the power generated from solar energy is not available round the clock due to the seasonal nature and variations.

Outlook

There has been a substantial increase in the installed solar power capacity because of the government's push in a bid to achieve COP26 targets. The COP 26 target by GoI states that by 2030, the non-fossil fuel energy capacity would be 500 GW, and 50% of the energy requirement would be fulfilled by renewable sources. Also, the aim is to reduce the carbon intensity of the economy by 45% and reduce the total projected carbon emission by 1 billion tonnes. The pace of bidding has also remained strong all along. MNRE has announced plans to invite bids for 50 GW of renewable energy capacity annually from Fiscal 2024 to Fiscal 2028 with an objective to achieve the targeted 500 GW installed capacity by 2030. Further, the domestic production of solar modules is also expected to increase driven by government initiatives such as the PLI scheme, which will lower the dependence on imports for critical components thereby addressing supply chain challenges and lowering the capital cost of solar power projects. As per the National Electricity Plan Vol-1 (March 2023) 186 GW of installed solar power capacity is expected to be achieved by Fiscal 2027 and 365 GW by Fiscal 2032.

Solar Power – Trend in Future Installed Capacity Additions

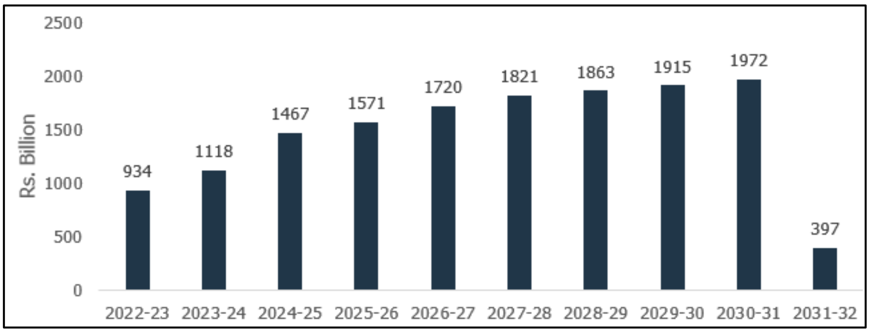


Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research

This represents an investment opportunity of ₹ 6.81 trillion Fiscal 2023-27 and ₹ 7.97 trillion between Fiscal 2028

– Fiscal 2032. The year-wise expected investment opportunity in the solar sector to achieve the targeted installed capacity is given below.

Year-wise investment opportunity in solar sector



Source: National Electricity Plan Vol-2 (March 2023), CareEdge Research; Note: Investments pertain to capacity additions targeted up to Fiscal 2032. Investments towards capacities which will be commissioned beyond Fiscal 2032 are not included.

Wind Power in India

Overview

With a total installed capacity of 44 GW (as on September 2023), India currently ranks fourth in the world in terms of installed capacity of wind power. The wind power industry's growth has resulted in a robust ecosystem, project operating capabilities, and a domestic manufacturing base of around 10,000 megawatts per year as per MNRE.

Wind is an intermittent and site-specific resource of energy and therefore, an extensive wind resource assessment is essential for the selection of potential sites. The government, through National Institute of Wind Energy, has installed over 800 wind-monitoring stations all over country and issued wind potential maps at 50m, 80m, 100m and 120m above ground level. The recent assessment indicates a gross wind power potential of 302 GW in the country at 100 meter and 696 GW at 120 meter above ground level. Most of this potential exists in seven windy states.

Wind Power Potential in India and Installed Capacities.

Sr. No.	States	Potential at 100 m (MW)	Potential at 120 m (MW)	Installed Capacity (MW) as on September '23
1	Andhra Pradesh	44,230	75,900	4,097
2	Gujarat	84,430	1,42,560	11,094
3	Karnataka	55,860	1,24,150	5,313
4	Madhya Pradesh	10,480	15,400	2,844
5	Maharashtra	45,390	98,210	5,147
6	Rajasthan	18,770	1,27,750	5,193
7	Tamil Nadu	33,800	68,750	10,300
	Total (7 Windy States)	2,92,970	6,51,720	43,740
	Other States	9,280	43,780	197
	All India Total	**3,02,250**	**6,95,500**	**44,185**

Source: Annual Report 2022-23, MNRE, CEA, CareEdge Research

Offshore Wind Energy

India has a coastline of about 7,600 kms surrounded by seawater on three sides and has tremendous power generation potential from off shore wind energy. As per MNRE, based on early analysis of satellite data and data from other sources, eight zones in Gujarat and Tamil Nadu have been identified as possible offshore wind energy exploitation zones. The potential for off-shore wind energy is estimated to be 174 GW (technical resources) across fixed bottom and floating potential mainly off the coast of Gujarat and Tamil Nadu. The MNRE has set a target of 30 GW by 2030 which has been issued to give confidence to the project developers in India.

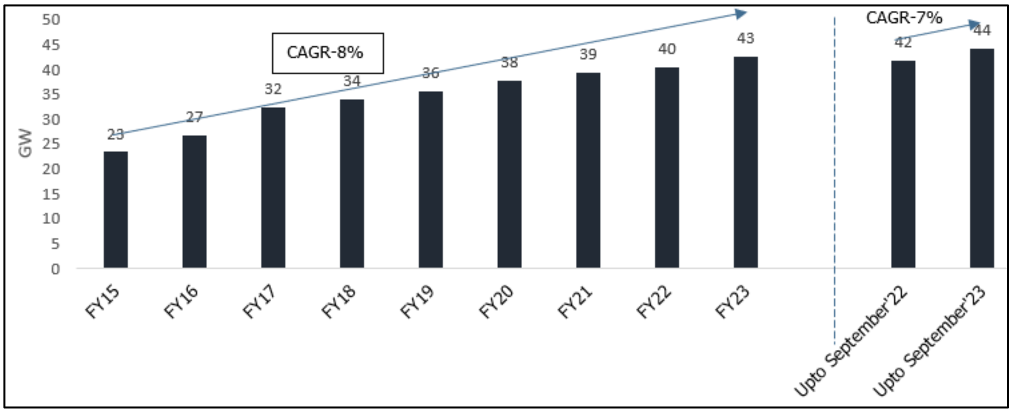
Benefits:

The wind speed over water bodies is high and the direction is constant. Offshore wind farms generate more power per installed capacity as a result. Because offshore wind is stronger during the day, it provides more constant and efficient energy generation during peak consumer demand. Wind power on land, on the other hand, performs better at night when electricity demand is lower. The CUF of offshore wind farms is greater than that of onshore wind farms. As a result, offshore wind power may operate for extended periods of time.

Challenges:

Local substructure manufacturers, installations vessels and trained workers are lacking in India. Offshore wind turbines require stronger structures and foundations than onshore wind farms. This can cause higher installation costs. The action of waves and even high winds, particularly during storms or hurricanes, can damage wind turbines. Eventually, offshore wind farms require maintenance that is costlier and more difficult to undertake.

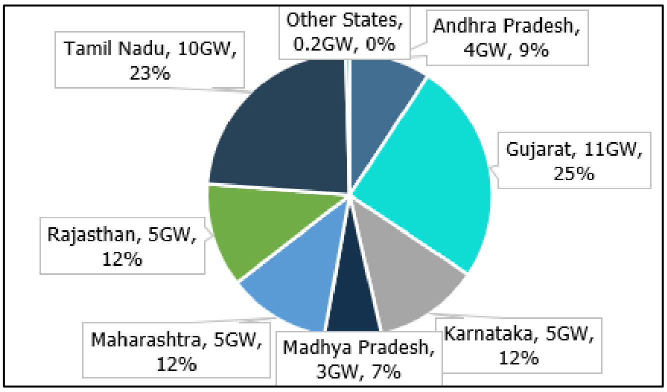
Trend in wind installed capacity



Source: CEA, CareEdge Research

Out of around 44 GW of wind projects installed to date, Gujarat remained the leader in cumulative installations with installed capacity of 11 GW as on September 2023, followed by Tamil Nadu, Karnataka and Maharashtra.

India- Cumulative Wind Power Installations by States as on September 2023



Source: MNRE, CareEdge Research

As on March 2023, wind projects aggregating to around 10,769 MW are under construction while 6,300 MW of hybrid projects are under construction.

Wind-solar hybrid projects of 5420 MW capacity have been awarded through e- reverse auction of which 1440 MW has been commissioned till December, 2022.

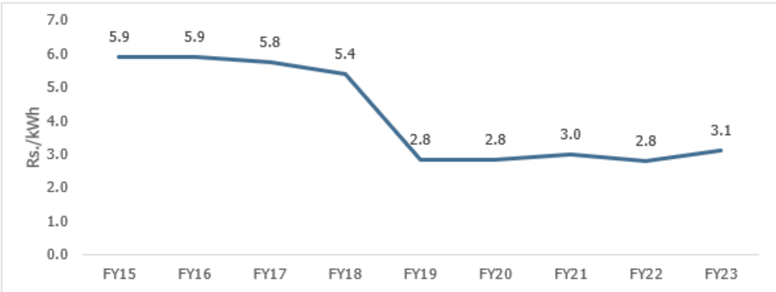
Trend in Wind Power Tariff

The wind tariffs have been on a downward trend, from ₹ 5.9 in Fiscal 2015 to ₹ 3.1 in Fiscal 2023. This drop was observed in wind power tariffs when the procurement process was changed from feed-in-tariff to bidding in 2017.

The tariffs discovered in the auctions are highly competitive and much lower than coal and thermal tariffs.

Currently the bidding process has changed from reverse auctions to closed bidding where the bidder who offers the lowest tariff will win the project if the technical criteria is met. While in reverse auctions, bidders would continue quoting lower competitive tariffs after the opening of bids. The change in bidding is expected to stop the aggressive bidding by the developers and lead to higher tariffs.

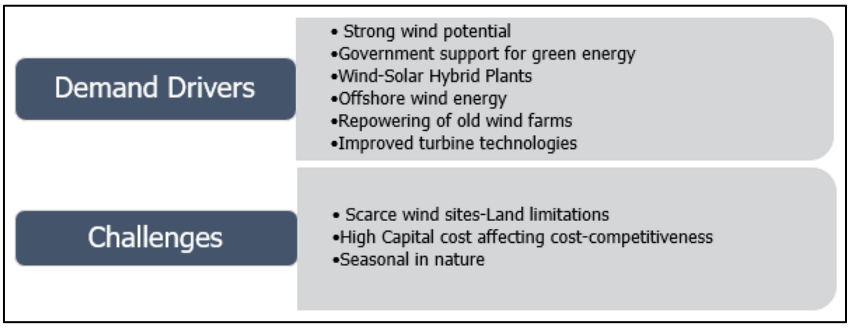
Trend in wind power tariffs



Source: MNRE, CareEdge Research

Note: For Fiscal 2022 and Fiscal 2023, these are the average of projects bid during the resp. periods.

Demand Drivers and Challenges



Demand Drivers:

Strong wind potential

India has strong wind potential of around 302 GW at 100m and around 695 GW at 120m. Comparing the installed capacity of wind to the potential, it is only 14% and India has huge untapped potential. The country also has repowering potential of around 25.406 GW considering wind turbines below capacity of 2 MW as per National Institute of Wind Energy.

Government schemes and initiatives

The GoI is promoting wind projects by way of encouraging private sector investments and providing various fiscal and financial incentives like custom duty exemption on certain components of wind electric generators, generation based incentive scheme for wind projects commissioned before March 31, 2017, technical support including wind resource assessment and identification of potential sites, issuance of guidelines for competitive bidding process for procurement of power, among others. The concessional custom duty benefit for several wind turbine components have also been extended till March 31, 2025 by Ministry of Finance.

Hybrid Plants

SECI began conducting solar/wind hybrid auctions in 2018 to enhance the dependability of renewable energy. In May 2018, the MNRE released the National Wind-Solar Hybrid Policy. The policy's major goal is to create a framework for the development of large-scale grid-connected wind-solar PV hybrid systems that make most efficient use of wind and solar resources, transmission infrastructure, and land. Hybrid plants provide good potential for future growth of wind capacities as they provide relatively less intermittent and more stable power supply and do not solely depend on wind for power generation.

As on March 2023, 6,475.475 MW of hybrid projects are under construction by SECI and other projects in the state of Karnataka and Gujarat. While the total capacity awarded is around 6,505.475 MW.

Offshore wind energy

In 2018, the Indian government set the target to achieve 30 GW of installed offshore wind energy capacity by 2030. According to National Institute of Wind Energy, a total of 71 GW offshore wind potential exists in India out of which 35 GW exists off the coast of Gujarat and nearly 35 GW off the Tamil Nadu. The critical land resources required for onshore wind projects are gradually becoming a major constraint. Offshore wind power offers a plausible alternative in such a scenario. Absence of any obstruction in the sea offers much better quality of wind and its conversion to electrical energy. Offshore wind turbines are much larger in size (in range of 5 to 10 MW per turbine) as against 2-3 MW of an onshore wind turbine. While, the cost per MW for offshore turbines are higher because of stronger structures and foundations needed in marine environment, the desirable tariffs can be achieved on account of higher efficiencies of these turbines after development of the eco system.

The MNRE has taken several steps to kick start the offshore wind sector in India. The steps taken by the ministry are as follows: (i) Strategy paper for offshore wind energy was issued showing the offshore wind auction trajectory of 37 GW by 2030, (ii) Ministry sought approval from the Department of Expenditure, Ministry of Finance for a Viability Gap Funding scheme of ₹ 156.09 billion for initial 3 GW of offshore wind energy projects, and (iii) Draft Offshore Wind Energy Lease Rules 2022 have been finalized and legally vetted by Ministry of Law and Justice and is pending notification.

Repowering of old wind farms

The wind power industry has been looking at the prospect of repowering existing wind farms, which might help to speed up capacity expansion. The repowering potential of India is estimated to be around 25.406 GW considering wind turbines below capacity 2 MW as per National Institute of Wind Energy. The latest wind turbine technology of more than 3 MW capacity is being manufactured in India and hence the repowering of wind turbines below 2 MW capacity should be considered.

Improved turbine technologies

Wind turbine generator technology is evolving, and the country now possesses state-of-the-art wind turbine manufacturing technology. With significant domestic manufacturing capability for wind energy turbines and their components, the country has been able to attain around 75% localization. The unit size of the largest machine has gone up to 3.46 MW. Wind turbine models earlier available in the Indian market were suitable mainly for class III and IV sites; they could not be used for class I sites of older wind farms. Wind turbine technology has advanced in the last decade with improved rotor diameters, turbine sizes and pole length (hub heights). Rotor diameters of modern wind turbines are up to 140 m compared to 80-100 m for the older turbines. Hub heights have also increased to up to 160 m from 60-100 m. Modern turbines would provide better availability of about 98%. Combining all these advancements in technology would improve capacity utilization rates to 35% - 40%, doubling wind generation compared to older turbines.

Challenges:

Scarce wind sites, land limitations

The availability of land with good wind potential is a huge constraint in the development of wind power. Most of the good wind sites (Class I sites) have been exhausted, hence the new projects have to explore the potential in Class 3 and above sites with higher turbine efficiency. The Indian wind sector has faced challenges due to land availability, regulatory approvals and transmission-related difficulties. Unlike the solar industry, which commissions projects on continuous land, wind projects require scattered property on a footprint basis, resulting in greater land acquisition costs and challenges, and transmission issues like upgradation of transmission infrastructure.

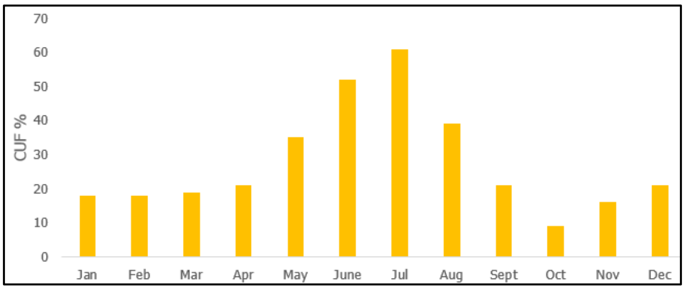
High capital costs, competitive tariffs have impacted project viability

For a wind farm, the capital cost ranges between ₹ 70 million to ₹ 80 million per MW, depending up on the type of turbine, technology, size and location as per the National Electricity Plan Vol-1 (March 2023), CEA. With competitive bidding, wind tariffs have fallen from an average of ₹ 5.4 per unit in Fiscal 2018 to ₹ 3.1 per unit in Fiscal 2023 while the capital costs have remained high. The capital cost increases with increase in hub height and rotor diameter, which is necessitated by the lack of favourable wind sites. The operational and maintenance expenses also rise as the turbine ages, considering the wear and tear and harsh environment in which these machines operate. Hence, the viability of the wind projects has been impacted.

Seasonality in wind availability

Wind plant's performance varies throughout the year as a result of highly seasonal wind patterns. Nationally, wind plant performance tends to be highest during the monsoon and lowest during the mid- to late summer, while performance during the winter (November through February) is around the annual median. Because seasonal wind patterns vary by location, seasonal capacity factor patterns also vary across regions. Unlike other parts of the world where the wind blows in fairly regular patterns all year round, India gets 70% of its wind between May and September, coinciding with the south-west monsoon. Post this season, solar power largely replaces wind in supplying renewable energy.

Month wise CUF variation of Wind

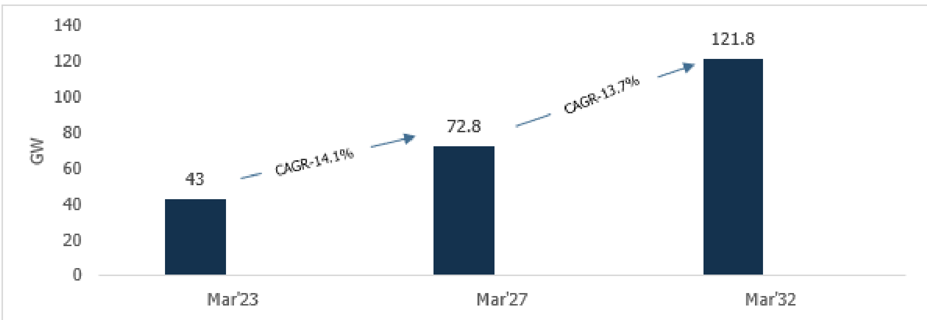


Source: CEA, CareEdge Research

Outlook

Wind capacity additions have slowed down in the recent past, due to challenges in pricing, grid availability, scarce availability of windy sites, land availability and payment delays. While the cost competitiveness of wind continues to be strong when compared to conventional power and government is pushing capacity additions through wind-solar hybrids, storage, round the clock supply, constraints on land and transmission infrastructure is likely to continue to impact near term capacity additions. In addition, the declaration by governments of ultra-mega power parks for wind might alter the wind deployment strategy in the future. As per the National Electricity Plan Vol-1 (March 2023), 72.8 GW of installed wind power capacity is expected to be achieved by Fiscal 2027 and 121.8 GW by Fiscal 2032.

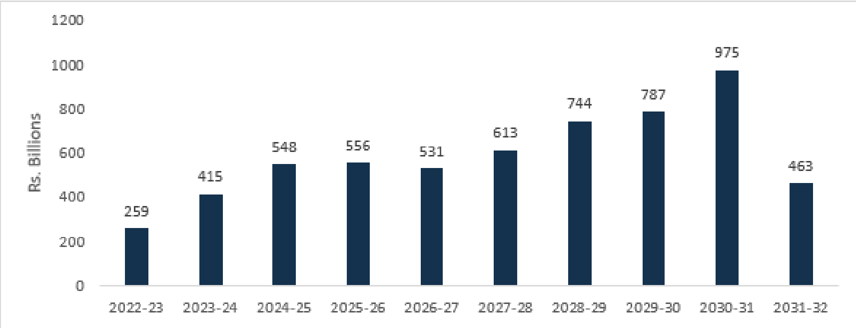
Wind Power Projections



Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research

This target translates into an investment opportunity of ₹ 2.309 trillion between Fiscal 2023 - Fiscal 2027 and ₹ 3.309 trillion between Fiscal 2028 - Fiscal 2032 for onshore wind plants. Additionally, ₹ 274.01 billion would be required for offshore wind plants between Fiscal 2028 – Fiscal 2032.

Year-wise investment opportunity in wind energy (including offshore)



Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research
Investments pertain to capacity additions targeted up to Fiscal 2032. Investments towards capacities which will be commissioned beyond Fiscal 2032 are not included.
Note: The above investments have been calculated based on capex (excluding soft cost, interest during construction), contingency) of ₹ 60 million per MW for 2022-2023 and suitably escalated thereon

Hydro Power in India (including PSP)

Overview

Hydroelectric power is electricity produced from generators driven by turbines that convert the potential energy of falling water from rivers, rivulets, artificially created storage dams or canal drops into mechanical energy. Hydro power projects are classified as large and small hydro projects based on their sizes and in India, hydro power plants of 25MW or below capacity are classified as small hydro and comes under purview of Ministry of New and renewable energy.

India has the fifth-largest installed hydroelectric power capacity in the world. India's installed utility-scale hydroelectric capacity was 47 GW as on September 2023, accounting for 11% of the country's total power generating capacity. At a 60% load factor, India's hydroelectric power potential is projected to be 148 GW.

Government-owned companies produce 92.5% of hydropower generated in India including National Hydroelectric Power Corporation, Northeast Electric Power Company, Satluj Jal Vidyut Nigam, THDC India, and NTPC. With the growth of hydroelectric power in the Himalayan mountain ranges and Northeast India, the private sector participation is projected to increase as well. Hydropower plants have also been built by Indian firms in Bhutan, Nepal, Afghanistan, among others.

The energy generated from hydropower was around 10% of the total power generated in the country in Fiscal 2023. The share of overall hydro power generation has been declining over the years, from 12% in Fiscal 2015 to around 10% in Fiscal 2023.

Small Hydro

MNRE is in charge of constructing small hydro power Projects, which are hydro power projects with a capacity of up to 25 MW. The projected potential of small, mini, and micro hydel projects in India is 21,135 MW as on June, 2021, with 7,135 locations around the nation. Around half of this potential is in the hilly states of India mainly Arunachal Pradesh, Himachal Pradesh, Jammu and Kashmir and Uttarakhand. As on September 2023 the total installed capacity of small hydro power is 4,983 MW.

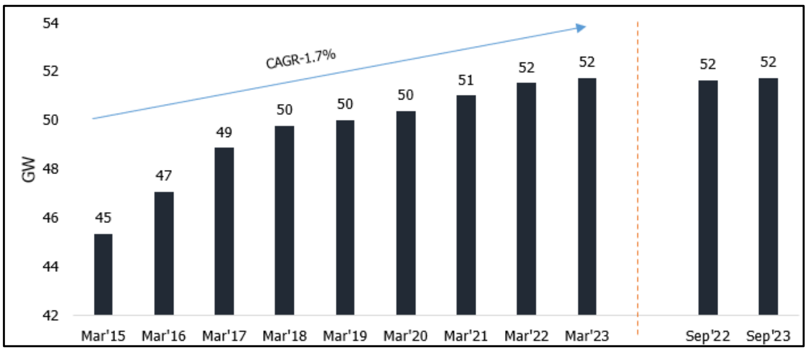
Pumped Storage Power Plants (PSPs)

Pumped hydro storage is where water is pumped uphill into a reservoir and released to power turbines when needed. The pumped storage technology is long term technically proven, cost effective, highly efficient, and flexible way of energy storage large scale. In India, the Purulia project which was set up in West Bengal in 2009 with a capacity of 900 MW, has been running successfully. As on March 31, 2022, there are 8 PSP announced projects with an aggregate capacity of 4,746 MW, out of which projects with the capacity of 3,306 MW are working in pumped mode while the balance is not commissioned due to delay in construction. The PSP potential in India has been identified of 96,529 MW as per Central Electricity Authority. The Western region has the highest PSP potential of 37,845 MW. The following projects are under construction as on March 31, 2022:

- Tehri Stage II: 1,000 MW located in Uttarakhand implemented by THDC limited

- Koyna Left Bank: 80 MW in Maharashtra being implemented by the Water Resources Department of Maharashtra
- Kundah Pump Storage Project Stages I, II, III and IV (500 MW) in Tamil Nadu being implemented by TANGEDCO

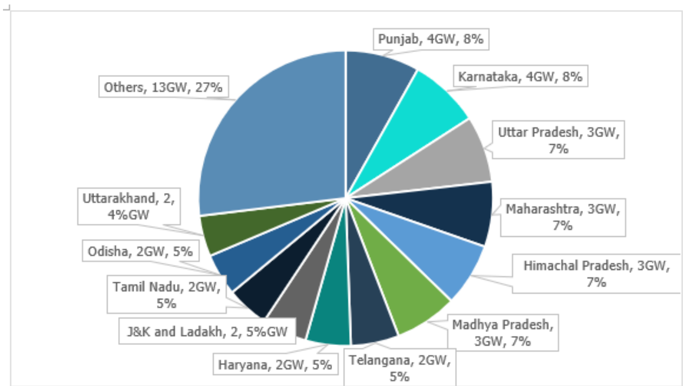
Trend in Hydro Power Installations



Source: CEA, CareEdge Research

The state-wise distribution of hydro power is shown below. The states of Punjab, Karnataka and Uttar Pradesh have the highest share of installed capacity at 8%, 8% and 7%, respectively, followed by others states like Maharashtra, Himachal Pradesh, Madhya Pradesh, Telangana, Haryana, Jammu and Kashmir, Tamil Nadu, among others.

State-wise distribution of hydro power as on September 2023



Source: CEA, CareEdge Research
Note: The above data excludes small hydro

Demand Drivers and Challenges

Demand Drivers:

Significant hydro potential in India

India has a considerable hydro potential and hence it can play a key role in reducing carbon footprint of the power sector. As per the assessment carried out by Central Electricity Authority in 1978 - 1987, the total potential of hydro power is 84,044 MW at 60% load factor, from a total of 845 identified hydro-electric schemes which would result in an installed capacity of 1,48,701 MW.

From the total potential of 148,701 MW, above 25 MW installed capacity potential is around 145,320 MW.

GoI's push for development of hydro power

Previously, the government had considered hydro projects up to 25 MW as renewable but now the GoI has formally recognized large hydropower as renewable in 2019. The Ministry of Power has constituted several committees to suggest ways and means to promote pumped storage hydropower and form framework for development, policy and regulatory aspects. The Draft Guidelines to Promote Development of Pumped Storage Projects was issued on February 2023 which recognized PSPs invaluable for the grid.

Flexible energy generation and storage

Hydro power is flexible source of power generation and storage, they can go from zero power to maximum output. Hydropower plants provide backup power during major electricity outages or disruptions as they can generate power to the grid immediately.

Challenges:

Delay in project execution

The growth of the hydro power sector has been slow due to delay in project execution. This involves problems like long gestation period of hydroelectric power plants, remote locations, unpredictable geology, delay in environmental clearances, local resistance.

Tariff competitiveness with solar and wind

The tariff for hydro power is higher than that of other renewable like solar and wind and hence it becomes a challenge for the hydro power sector. The cost of building roads and bridges and to ferry the construction equipment can be quite high as most of projects are locate on hills, bringing the tariff of the hydro projects upwards.

Local environmental costs

Most of the hydro projects in India are in the north and north eastern of the country barring a few small projects in central and southern India. Projects on the Himalayan rivers have been damaged by floods and landslides. This had led to huge losses of lives and infrastructure. There has been critique on construction of hydro projects in the Himalayan mountains highlighting environmental damage. Massive floods in Uttarakhand in 2013 caused 5,000 deaths, damaged homes and hydropower projects. There have been many similar incidents since then.

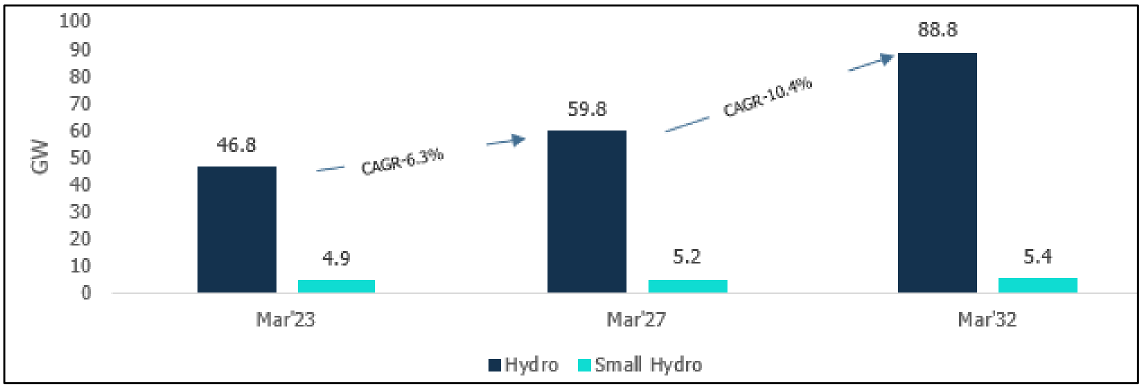
High Initial Cost

Even though hydroelectricity generation is considered to be economical compared to other power sources, the upfront cost of setting up a hydro power plant is very high along with considerable requirement of resources, time and effort to build. According to National Electricity Plan Vol -1 by CEA, the capex of hydro power projects is ₹ 60 million to ₹ 200 million per MW with a construction time require of 5 years - 8 years which is the highest among all other renewable power. The O&M fixed cost is also high at 2.5% of capex per MW.

Outlook

There has been a subdued increase in the installed hydro power capacity because of various challenges like hydro power projects being site specific, lengthy process for detailed project report and environmental clearances, geological surprises, among others. To meet the country's energy demand at a faster pace and achieve the targeted 500 GW of non-renewable energy, there needs to be an increase and shift of dependence on hydro power. The development of mega hydro projects is essential. The hydro power capacity is expected to grow at a CAGR of 6.3% from Fiscal 2023 to Fiscal 2027, reaching 59.8 GW while in Fiscal 2032, the installed capacity is expected to reach 88.8 GW. For small hydro, the installed capacity is expected to remain in the range of 4.8 GW to 5.4 GW.

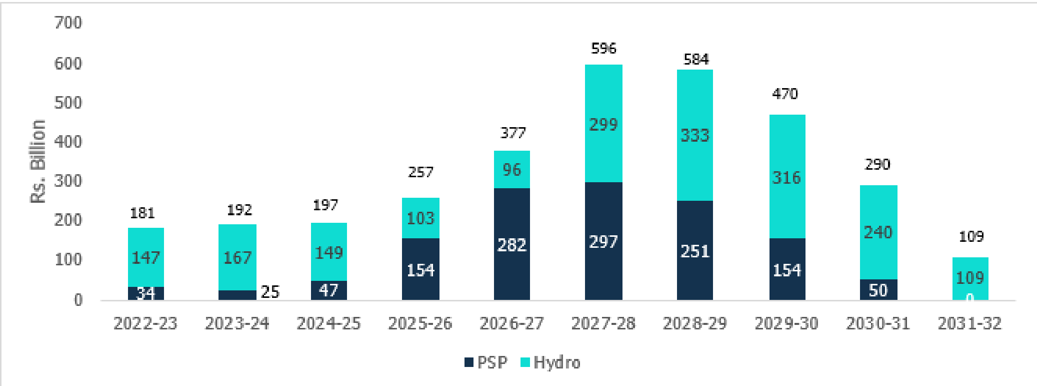
Hydro Power Projections (Including PSP)



Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research

The capacity addition targets translate into an investment opportunity of ₹ 542.03 billion and ₹ 661.5 billion between Fiscal 2023 – Fiscal 2027 and ₹ 752.4 billion and ₹ 1,297.77 billion between Fiscal 2028 – Fiscal 2032 for PSP and hydro power, respectively.

Investment opportunity in hydro power projects (including pumped hydro storage)



Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research
Note: Investments pertain to capacity additions targeted up to Fiscal 2032. Investments towards capacities which will be commissioned beyond Fiscal 2032 are not included.

Bioenergy Power in India

Biomass is the process by which agricultural waste is used for power generation or for biogas generation, where biomass includes rice husk, straw, cotton stalk, coconut shells, soya husk, de-oiled cakes, coffee waste, jute wastes, groundnut shells, saw dust, among others. The current availability of biomass in India is 750 million metric tonnes, with an estimated surplus biomass availability of 230 million metric tonnes per annum corresponding to a potential of 28 GW. An additional power of 14 GW could be generated through bagasse-based cogeneration in the 550 sugar mills in the country. Waste to energy technologies like bio methanation, incineration, gasification, pyrolysis is used to recover the energy from waste in form of electricity and biogas/syngas. Waste-to-energy projects use agricultural, industrial and urban wastes of renewable nature such as municipal solid wastes, vegetable and other market wastes, slaughterhouse waste, agricultural residues and industrial and sewage treatment plant wastes and effluent, animal waste for power generation or for biogas generation. Sector-wise waste to energy potential covering urban and industrial sectors is given below:

Sector-wise waste to energy potential

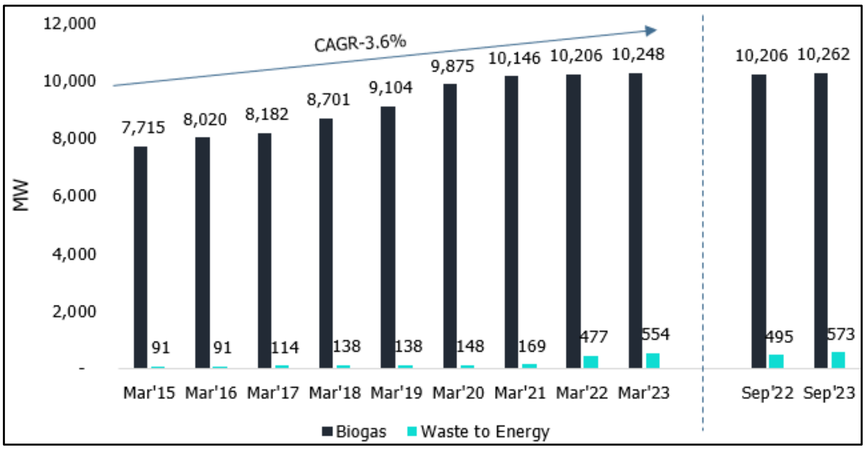
Sr. No.	Sectors	Energy Potential-MW
1	Urban Solid Waste	1,247
2	Urban Liquid Waste	375
3	Paper	254
4	Processing and preserving of meat (liquid waste)	182
5	Processing and preserving of meat (solid waste)	13

Sr. No.	Sectors	Energy Potential-MW
6	Processing and preserving of fish, crustaceans and molluscs	17
7	Vegetable Processing	3
8	Vegetable Raw	579
9	Fruit Processing	8
10	Fruit Raw	203
11	Palm Oil	2
12	Milk Processing/ Dairy Products	24
13	Maize Starch	47
14	Tapioca Starch (liquid waste)	36
15	Tapioca Starch (solid waste)	15
16	Sugar (liquid waste)	49
17	Sugar press mud (solid waste)	200
18	Distillery (liquid waste)	781
19	Wine Industry	NA
20	Slaughterhouse (solid waste)	48
21	Slaughterhouse (liquid waste)	263
22	Cattle farm	862
23	Poultry	462
24	Chicory	1
25	Tanneries (liquid waste)	9
25	Tanneries (solid waste)	10
	TOTAL (MW equivalent)	**5,690**

Source: MNRE, CareEdge Research

Power generation from bioenergy offers a good potential in rural areas especially if they are far from the grid. Bioenergy uses biogas which is produced when bio-degradable waste such as cattle dung, biomass from farms, gardens, kitchen, poultry, municipal waste, among others. are subjected to scientific process in a biogas plant. The total installed capacity of bioenergy power as on September 2023 is 10,262 MW while waste to energy is 573 MW. The bioenergy capacity has been stagnant, growing at a CAGR of 3% between Fiscal 2015 to Fiscal 2023. A total of 2,318 MW of bioenergy capacity is under construction.

Power generated from Bioenergy



Source: CEA, CareEdge Research

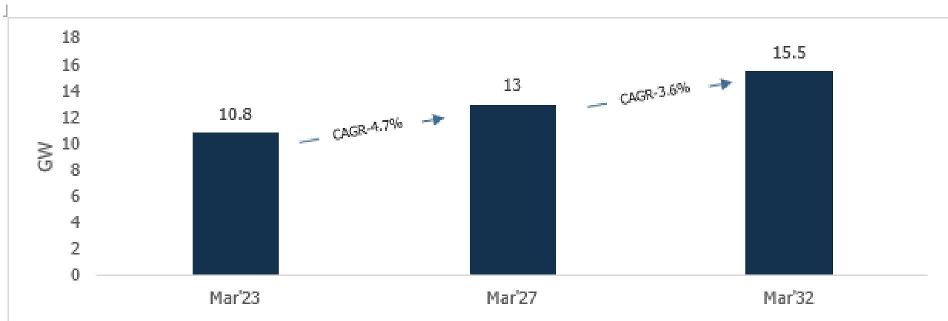
Drivers and Challenges

The major driver for bioenergy is that it an efficient way of utilization of waste and there are variety of feedstock used for bioenergy. In metropolitan region, the bioenergy market is still developing, and strict governmental measures are needed to boost bioenergy generation from municipal and industrial waste. Municipal corporations are generally responsible for waste management in metropolitan areas, but they have limited financial resources. As a result, public-private partnerships should be promoted to boost private investment in India's waste-to-energy sector. However, considerations such as expensive upfront technology costs and the difficulty of obtaining finance from banks are some of the reasons for the low level of private sector participation in this area. As a result, financial assistance from the central and state governments is required to close the viability gap and make bioenergy projects financially viable. Financial incentives such as expedited depreciation and tax breaks would also aid in attracting major private sector companies.

Outlook

In 2022, India's bioenergy potential was assessed to be 25 GW with the GoI persistently promoting the Biomass Power and Bagasse Co-generation initiative. According to National Electricity Plan Vol-1 (March 2023), the estimated installed capacity as on Mar 2027 is 13 GW and 15.5 GW as on Mar 2032.

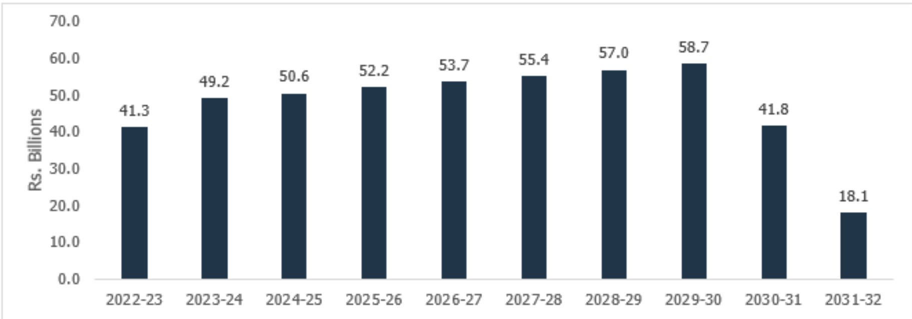
Bioenergy Power Projections



Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research

The investment opportunity in bioenergy projects up to Fiscal 2027 is around ₹ 247 billion and between Fiscal 2028 - Fiscal 2032 is ₹ 231 billion. Year-wise fund requirement to achieve the targeted installed capacity is given below.

Year-wise investment opportunity in bioenergy-based power plants



Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research; Note: Investments pertain to capacity additions targeted up to Fiscal 2032. Investments towards capacities which will be commissioned beyond Fiscal 2032 are not included.

Capital cost of renewable (solar and wind) v/s. conventional

Amongst the renewable power sources, solar is the least expensive technology on per MW basis. This is followed by wind and hydro power projects. In comparison with the coal based thermal power plants, capital cost for most of the renewable power plants is lower. Further the construction timeline of renewable capacities (excluding hydro based plants) is significantly lower compared to coal-based plants, thereby resulting in relatively earlier project completion and commencement of cashflows as well as returns.

Cost Parameters for Thermal and Renewable Power

Resource	Capex* (₹ Million MW)	O&M Fixed Cost (₹ MW)	Construction Time (Years)	Life (Years)
Coal	83.4	1.954 million	4	25
Renewable				
Hydro	60-200	2.5% of Capex	5-8	40
Solar	45- 41	1% of Capex	0.5	25
Wind (Onshore)	60^	1% of Capex	1.5	25
Wind (Offshore)	137	1% of Capex	1.5	25
Bioenergy	90	2% of Capex	3	20

*Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research *Capex figures are considered on actual basis at cost level of 2021-2022; ^ Excludes soft cost, interest during construction, contingencies among others.*

Government Schemes and Subsidies for Renewables

As part of its Nationally Determined Contribution for the Paris Agreement obligations, the GoI stated that by 2030, reduction of the emissions intensity of GDP by 45% below 2005 levels, and raise the percentage of non-fossil fuels in total capacity to 50% and increase share of non-fossil power capacity to 50%. Hence the government has pushed towards renewable capacity additions through policies initiatives like JNNSM, obligations of RPO, setting up of SECI, among others.

Green Energy Corridor

The Green Energy Corridor scheme was launched in 2015 for setting up of transmission and evacuation infrastructure to facilitate evacuation of electricity from renewable energy projects. The intra-state transmission system projects has been sanctioned to eight renewable energy states i.e. Tamil Nadu, Rajasthan, Karnataka, Andhra Pradesh, Maharashtra, Gujarat, Himachal Pradesh and Madhya Pradesh for evacuation of over 20,000 MW of renewable energy.

As on December 31, 2022, 8,759 ckm of intra-state transmission lines have been constructed and 19868 MVA intrastate substations have been charged. Under the second phase of Intra-State Transmission System Green Energy Corridor Scheme (InSTS GEC-II) approved on January 6, 2022, the seven states of Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu and Uttar Pradesh, are currently in the process of issuing tenders to implement projects for evacuation of 20 GW renewable capacity. The project cost is ₹ 120.31 billion with central financial assistance at 33% of the project cost i.e. ₹ 39.70 billion.

Round-the-Clock-Power for RE projects

The round-the-clock power mechanism is bundling of power has been bought by the government in order to overcome the issues of intermittency and low capacity utilization of transmission infrastructure. Here the RE power is bundled with other sources and/or storage.

Competitive Bidding Guidelines for solar and wind projects

The bidding guidelines have been issued for long term procurement of power to promote competitive procurement from solar and wind and also to protect the consumer interests. The guidelines for tariff based competitive bidding process for procurement of power from grid connected solar PV power projects were issued on August 3, 2017 while the guidelines for tariff based competitive bidding process for procurement of power from grid connected wind power projects issued on December 8, 2017.

Waiver of ISTS Charges

Ministry of Power has issued order for an extension to the inter-state transmission system ("**ISTS**") charges waiver on solar and wind energy projects commissioned up to June 30, 2025. Waiver of ISTS charges shall also be allowed for hydro pumped storage plant and battery energy storage system projects to be commissioned up to June 30, 2025 following some conditions. ISTS waiver would be allowed for trading electricity generated and supplied from solar, wind, pumped hydro, and Battery Energy Storage Systems in the green term ahead market till June 30, 2023 and the arrangement would be reviewed on annual basis depending on future development in the power market. As per the notification issued by Ministry of Power, a complete waiver of ISTS charges has been given for off-shore wind power projects commissioned on or before December 31, 2032 for a period of 25 years from the date of commissioning of the project.

Must Run Status

In line with the Electricity Act 2003 and the Electricity Grid Code 2010, wind and solar power have the 'must-run status'. The term 'must run status' refers to the notion that electricity evacuation from solar and wind power facilities should not be limited for reasons other than grid safety, equipment or people safety, merit order dispatch, or other commercial concerns.

Incentives including AD and GBI

Indian renewable energy companies were entitled to take 80.0% accelerated depreciation on assets employed in renewable energy power generation and benefit from a 10-year tax holiday. Until March 31, 2017, the accelerated depreciation advantage was set at 80%. The accelerated depreciation tax was reduced to 40% on April 1, 2017 as part of the Union Budget 2016-2017.

GBI of 50 paisa (half an Indian rupee) per unit was launched in December 2009. The purpose of this subsidy/incentive was to shift the mechanism of payment from installation-based to generation-based methods of rewarding wind farms. GBI was a way to encourage development of more efficient wind farms. AD and GBI benefits enabled an improvement in installed capacities in the last decade. GBI was later discontinued in 2017.

Solar GBI- There are two schemes under Solar GBI, the Solar Demonstration GBI scheme and the Rooftop PV and Small Solar Power Generation Programme (the "**RPSSGP**") Scheme. The Solar Demonstration GBI Scheme was introduced in 2008 with the objective to develop and demonstrate the technical performance of grid interactive solar power generation and to achieve reduction in the cost of solar systems and the cost of solar generation in the country. The RPSSGP Scheme was introduced in 2010 with the objective to increase the capacity addition of Rooftop PV and small solar power plants with voltage level up to 33kV. Under this scheme, 72 solar projects with total capacity of 91.8 MW were set up across 13 states, as of March 31, 2023.

Wind GBI- The wind GBI scheme was introduced with the objective to promote efficient technology by incentivizing the actual generation, broaden investor base, facilitate entry of large IPPs and FDI. It was introduced with a demonstration scheme in which total of 48.9 MW wind projects were registered for GBI against target of 49MW. With the success of this scheme, Wind GBI-I scheme and Wind GBI-II scheme were introduced by MNRE in 2009 and 2013 respectively with total commissioned capacity of 13,624.88 MW and 704 wind power projects registered under the schemes. A budget of ₹ 12.14 billion has been allocated for 2023-2024 under the GBI scheme which will utilized to clear past liabilities.

Solar

Jawaharlal Nehru National Solar Mission

Jawaharlal Nehru National Solar Mission is one of the primary missions under India's National Action Plan on Climate Change. This is a major initiative by the Indian government to encourage environmentally sustainable growth while addressing India's energy security issues. To meet this goal, the Indian Government has implemented a number of policies, including the Solar Park Scheme, Pradhan Mantri Kisan Urja Suraksha evam Utthan Mahabhian, Central Public Sector Undertaking, Grid Connected Solar Rooftop Schemes, Domestic modules production, REC, RPO, waiver of ISTS charges.

Targets of National Solar Mission

Application Segment	Phase 1 2010-13	Phase 2 2013-17	Phase 3 2017-22
Utility grid power	1,000-2,000 MW	4,000-10,000 MW	100,000 MW
Off grid Applications	200 MW	1000 MW	2000 MW
Solar Thermal Collectors Area	7 million sqm	15 million sqm	20 million sqm
Manufacturing Base	-	-	4000-5000 MW
Solar Lighting Systems	-	-	20 million
Solar RPO	0.25%	-	3 %

Source: MNRE, CareEdge Research

International Solar Alliance

The International Solar Alliance ("**ISA**") is a treaty based inter-governmental organization working to create a global market system to tap the benefits of solar power and create clean energy applications. The aim of ISA is to pave the way for future solar generation, storage and technologies for the member countries by mobilizing over USD 1000 billion by 2030. The achievement of ISA's objective will help the member countries fulfil the Nationally Determined Contributions commitments.

Pradhan Mantri Kisan Urja Suraksha Evam Utthan Mahabhiyan (PM KUSUM):

The PM-KUSUM programme is to supply renewable energy to over 3.5 million farmers by solarizing their agriculture pumps. The PM-KUSUM programme intends to build grid-connected ground mounted solar power plants (up to 2 MW) totalling 10 GW under Component A; and 2 million freestanding solar pumps under Component B; and solarize 1.5 million grid connected agricultural pumps under Component C. All components combined would support installation of additional solar capacity of 30.80 GW. As on December 2022, 88.45 MW capacity solar power plants were installed under scheme's Component-A, about 0.181 million stand-alone solar pumps were installed under Component-B and 1,174 pumps were reported solarised under individual pump solarisation variant of Component-C.

Roof Top Solar (RTS) Programme:

Rooftop solar power (RTS) is a rooftop solar system that generates electricity for Kenyan households and public buildings. Rooftop Phase-I of this initiative began on December 30, 2015, with incentives and subsidies offered for the residential, institutional, and social sectors. Achievement-based incentives were also offered for the government sector. Rooftop Phase-II began in February 2019 with the goal of reaching a total capacity of 40,000 MW by 2022. RTS has built approximately 3.7 GW of capacity so far, with another 2.6 GW under construction in the residential market. Central Financial Assistance is given at 40% for RTS systems up to 3 kW capacity and 20% for systems with capacities more than 3 kW. Against the target of 4 GW RTS in Residential sector under the programme, around 1.66 GW capacity was reported installed as on December 31, 2022. Overall, nearly 7.6 GW capacity of grid-connected RTS plants were reported installed in the country as on December 31, 2022. Phase II of the Rooftop Solar Programme timelines have been extended up to March 31, 2026.

Solar Parks:

The Ministry of Power has introduced the Solar Parks programme with the objective of facilitating solar project developers to set up projects in a plug-and-play model. The scheme for development of solar parks has a target capacity of 40 GW and all States and Union Territories are eligible for getting benefit under the scheme. Under this scheme, 57 Solar Parks with a cumulative capacity of 39.28 GW in 13 states were approved, as on December 31, 2022.

Solar Cities

Under this scheme, at least one city in each state of India is being developed as a solar city. Here, all the electricity needs of the city will be met through RE sources primarily from solar energy and all houses will have roof-top solar energy plants along with solar street lights and waste to energy plants.

The aim of the programme is to enable and empower urban local government to address the energy challenges at city level, provide a framework and support to prepare a master plan including assessment of current energy situation, future demand and action plans.

Greening of Islands:

The government plans to entirely convert the islands of Andaman and Nicobar and Lakshadweep to Green Electricity, with RE sources meeting all energy demands. The Ministry grants a capital subsidy of 40% for projects under the plan.

Off Grid Solar PV Applications Programme Phase III:

The North-Eastern states' participation in Phase 3 of the Off-Grid Solar PV Applications Programme for Solar Street Lights, Solar Study Lamps, and Solar Power Packs was extended. The scheme has sanctioned 0.174 million solar streetlights, 1.35 million solar study lamps, and 4 MW solar power packs, all of which are now being implemented by state nodal agencies at various levels.

Public Sector Undertaking ("CPSU") Scheme:

The Cabinet Committee on Economic Affairs has approved the MNRE's proposal for implementation of the CPSU Scheme Phase-II for setting up 12,000 MW grid-connected solar PV power projects with VGF support of ₹ 858 million for self-use or use by Government or Government entities, of both Central and State Governments. The scheme mandates the use of both solar PV cells and modules manufactured domestically as per specifications and testing requirements fixed by the MNRE. Under this scheme, around 8.2 GW of projects have been awarded, as on December 31, 2022, out of which around 1.5 GW has been commissioned as on December 31, 2022 and balance are under implementation.

Wind

Duty exemption certificate for manufacturing of wind turbines

Ministry is issuing concessional custom duty exemption certificates ("**CCDC**") to the manufacturers of wind operated electricity generators. For this purpose, the eligible turbine and component manufacturers need to get the bill of material for Revised List of Models and Manufacturers listed turbine models approved and then apply in prescribed formats to Ministry for a CCDC certificate for their import consignments. Based on MNRE's recommendation, CCDC for several wind turbine components has been extended till March 31, 2025 by Ministry of Finance (notification no. 02/2023-Customs dated February 1, 2023).

Repowering potential

In India, the wind power industry has been looking at the prospect of repowering existing wind farms, which might help to speed up capacity expansion. Repowering, which means the installation of newer, higher-capacity turbines in older wind farms, can be partial or complete. Full repowering entails the decommissioning of outdated wind turbines and the installation of new, more efficient wind turbines. All windmills with a CUF of 15% are technically suitable for repowering, and their CUF may be quadrupled, or tripled in wind-intensive areas. If solar is also added, leading to hybrid renewable energy projects, the annual energy production can go up by more than six times.

It's worth noting that these older wind turbines are situated in some of India's most wind-friendly locations (class I sites). However, they have low plant load factors of 10-15%, more opposed to the greater than 30% plant load factor of contemporary wind turbines.

Provisions of the Repowering Policy:

Draft National Repowering Policy for Wind Power Projects was issued for stakeholder consultation in October, 2022, with the objective of optimum utilization of wind energy resources by maximizing energy yield of the project area and utilizing the latest state-of-the-art onshore wind turbine technologies.

Offshore Wind Project

In light of potential from off-shore wind due to the abundant 7600-kilometer coastline, the GoI published the National Offshore Wind Energy Policy in the Gazette on October 6, 2015. According to the policy, the Ministry of New and Renewable Energy will serve as the nodal ministry for the development of off-shore wind energy in India, working in close collaboration with other government entities to effectively develop and use Maritime Space within the country's Exclusive Economic Zone for the production of massive amounts of grid-quality electrical power for national cohesion.

Bioenergy

National Bioenergy Programme

The National Bioenergy Programme was launched by the MNRE in November 2022 for the period from Fiscal 2022 to Fiscal 2026. The programme has been recommended for implementation in two phases. Phase-I of the programme has been approved with a budget outlay of ₹ 8.58 billion. The National Bioenergy Programme comprises the following sub-schemes: (i) Waste to Energy Programme (Programme on Energy from Urban, Industrial and Agricultural Wastes/Residues), (ii) Biomass Programme (Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based cogeneration in Industries); and (iii) Bio-gas programme.

The total outlay of the programme under Phase-1 is ₹ 8.58 billion, out of which IREDA has been designated as the implementing agency for Programme on Energy from Urban, Industrial and Agricultural Wastes and Residues and the Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based cogeneration in Industries for ₹ 7.58 billion.

National Green Hydrogen Mission

The National Green Hydrogen Mission was approved by the GoI in January 2023, with an objective to make India a global hub for production, usage and export of green hydrogen and its derivatives and approved an outlay of ₹ 190 billion to help achieve an annual production target of 5 MMT by 2030 for facilitating the net-zero target. The mission is also expected to generate ₹ 8 trillion in total investments by 2030 and around 50 MMT per annum of CO_2 emissions are expected to be averted.

Summary of government schemes with defined targets/ financial outlay

Sr. No.	Scheme/ Policy	Financial Outlay	Target
1.	Green Energy Corridor	₹ 120.31 billion	
2.	Green Transmission	₹ 2,440 billion	
	Solar		
3	Solar GBI	NA	91.8 MW
4.	National Solar Mission	NA	100 GW by 2022
5.	PM KUSUM	₹ 340 billion	30.8 MW
6.	RTS Programme	₹ 350 billion	7.6 MW
7.	Solar Parks	NA	40 GW by Mar'24
8.	Solar Cities	NA	60 solar cities
9.	CPSU Scheme	₹ 858 million	8.2 GW
10.	PLI Scheme for Solar Module	₹ 195 billion	NA
	Wind		
11.	Wind GBI	₹ 12.14 billion	NA
12.	Offshore Wind Policy	₹ 156.08 billion	37 GW by 2030
	Hydro		
	Hydro Pumped Storage	NA	47 GW by 2030
	Bioenergy		
13.	National Bioenergy Programme	₹ 8.58 billion	NA
	Green Hydrogen		
14.	Green Hydrogen Mission	₹ 197.4 billion	NA

Note: Timelines of the policies and proposed financial outlay are provided in the earlier sections

Net Zero and Other Key Technologies

Fuels from Bioenergy Sources

Bioenergy fuels or Biofuels are derived from renewable biomass resources and wastes such as plastic, municipal solid waste, waste gases among others. and used in place of or in blend with, diesel, petrol or other fossil fuels for transport, stationary, portable and other applications. These fuels have low CO_2 emissions compared to fossil fuels. The GoI is focusing on increasing the usage of biofuel in India with the following objectives: Increase energy security, reduce dependence on imported crude oil leading to foreign exchange savings, address environmental issues due to vehicular emissions, burning of biomass waste, provide opportunities to local entrepreneurs and local farmers to participate in the energy economy, thereby supplementing their income, and address challenges arising in waste and agricultural residue management

Type of Biofuels

Type	Description	Products
First Generation	Produced from edible energy crops such as sugarcane, corn, wheat, barley, sunflower, canola among others.	Bioethanol and biodiesel
Second Generation	Produced from non-food feedstock such as wood, forest waste, food crop waste, waste vegetable oil, animal waste among others.	Bio-oil, FT oil, lignocellulosic ethanol, butanol, mixed alcohol among others.
Third Generation	Produced from microorganisms such as bacteria and algae	All types of biofuels with higher yield compared to earlier generations can be produced under third generation techniques.

Source: CareEdge Research

India is one of the leading producers of biofuels in the world. The public sector oil marketing companies ("**OMCs**") have procured ethanol from domestic producers and thereafter blended 4.336 billion litres of ethanol in petrol during the Ethanol Supply Year (ESY, being December 1 to November 30) 2021-2022 and procured 58.3 million litres of bio-diesel till November 2022 for blending with diesel during Fiscal 2023. The oil and gas marketing companies have issued 3,694 letters of intent to potential entrepreneurs for procurement of compressed biogas ("**CBG**") up to October 31, 2022. Further, oil CPSEs are setting up 2nd generation ethanol bio-refineries in the country at Panipat (Haryana), Bathinda (Punjab), Numaligarh (Assam), Bargarh (Odisha) and one demonstration project at Panipat.

As on June 2022, the OMCs achieved 10% ethanol blending target ahead of the November 2022 deadline which was set under the Roadmap for Ethanol Blending in India 2020 - 2025. As per government sources, this achievement has translated into a forex impact of over ₹ 415 billion, reduced greenhouse gas emissions of 2.7 million MT and also led to the expeditious payment of over ₹ 406 billion to farmers since 2014.

Further, as on June 11, 2023, ESY 2022-2023 recorded 11.70% blending. The blending target for the current ESY is 12%.

CBG

CBG is similar to the commercially available natural gas in its composition and energy potential and can be used as an alternative renewable automotive fuel. CBG is produced after purification and compression of bio gas which is produced naturally from waste or biomass sources like agriculture residue, cattle dung, sugarcane press mud, municipal waste, among others. The Ministry of Road Transport and Highways, GoI had permitted usage of bio-compressed natural gas for motor vehicles as an alternate to CNG in 2015 via gazette notification no. 395 dated June 16, 2015.

CBG potential from various sources in India is estimated to be around 62 MMT with bio-manure generation capacity of 370 MMT. There are various biofuels projects undertaken including CBG projects under SATAT (Sustainable Alternative Towards Affordable Transportation) initiative by the government. The initiative envisages production target of 15 million metric tonnes of CBG by 2023-2024 from 5,000 CBG Plants. Investment of around ₹ 30,000 crores is envisaged for 900 plants.

Key Government Policies

National Policy on Biofuel

The government notified the National Policy on Biofuels ("**NBP**") in June 2018 to promote the use of biofuels in the country and ensure availability of the same from indigenous feedstock. This policy envisaged an indicative target of 20% blending of ethanol in petrol by 2030 and 5% blending of biodiesel in diesel by 2030.

Pradhan Mantri JI-VAN (Jaiv Indhan - Vatavaran Anukool Fasal Awashesh Nivaran) Yojana

In March 2019, the GoI notified the Pradhan Mantri Ji-Van Yojana to provide financial support to integrated bio-ethanol projects or setting up 2G ethanol projects in the country using lignocellulosic biomass and other renewable feedstock. The total financial outlay for the scheme is ₹ 19.695 billion for the period Fiscal 2019 to Fiscal 2024. Under this scheme, financial assistance of ₹ 1.5 billion per project for commercial projects and ₹ 150 million per project for demonstration projects was prescribed for improving commercial viability as well as promoting research and development for adoption of technologies in the field of production of 2G ethanol. As on July 2022, financial assistance of ₹ 1.5 billion each to the four commercial second generation bio-ethanol projects at Bathinda in Punjab, Panipat in Haryana, Bargarh in Odisha and Numaligarh in Assam and ₹ 150 million to one demonstration project at Panipat in Haryana has been approved under the scheme and ₹ 1.51 billion was released based on milestones achieved as per the scheme. Apart from financial support through PM JI-VAN Yojana, other steps taken to promote 2G ethanol plants include imposition of additional excise duty on non-blended fuels, encouraging studies on various aspects including identifying areas having the potential of surplus Biofuels feedstocks, policy interventions to mainstream biofuels and separate price for 2G ethanol.

Global Biofuel Alliance

The Global Biofuel Alliance was announced in February 2023 under which Brazil, India, and the United States, which are leading producers and consumers of biofuels along with other interested countries, will work towards establishing an alliance for facilitating cooperation and intensifying the use of sustainable biofuels, including in the transportation sector. The alliance aims to strengthen markets, facilitate global biofuels trade, develop concrete policy lesson-sharing and provide technical support for national biofuels programs worldwide. It will also emphasize the already implemented best practices and success cases. The alliance shall work in collaboration with and complement the relevant existing regional and international agencies as well as initiatives in the bioenergy, bio economy, and energy transition fields more broadly, including the Clean Energy Ministerial Biofuture

Platform, the Mission Innovation Bioenergy initiatives, and the Global Bioenergy Partnership.

Government Support Schemes for CBG

The MNRE has been supporting installations of biogas plants in the country through the following schemes:

- Small size biogas plants under New National Biogas and Organic Manure Programme ("**NNBOMP**");
- Medium size biogas plants (30-2500 m3 biogas per day) under the Biogas based Power Generation (Off-Grid) and Thermal Energy Applications Programme ("**BPGTP**");
- Large size biogas plants (above 2500 m3 biogas per day) biogas plants under Programme on Energy from Urban, Industrial, Agricultural Wastes/ Residues and Municipal Solid Waste ("**Waste to Energy Scheme**").

The Central Financial Assistance which was being provided under the above schemes when they were being implemented was as follows:

- ₹ 7,500 to ₹ 35,000 per plant based on size of the plant in cubic meter under NNBOMP;
- ₹ 25,000 to ₹ 40,000 per kilowatt for power generation and ₹ 12,500 to ₹ 20,000 per kilowatt equivalent for thermal applications under BPGTP; and
- ₹ 10 million per 12000 m3 per day for biogas generation and ₹ 40 million per 4,800 kg/day for Bio-CNG generation under Waste to Energy Scheme.

Under the SATAT, GoI is promoting the production of CBG as an alternative green transport fuel wherein oil and gas marketing companies are procuring the produced CBG.

Low Carbon Synthetic Fuels

Large scale integration of RE beyond the scope of meeting India's basic power sector requirement demands integration of clean energy usage in the industry and transport sector, necessitating the use of synthetic fuels, which are carbon neutral alternatives of conventional fuels. These fuels have the same physiochemical properties similar to fossil fuels and are produced using renewable energy. These fuels are made by chemically hydrogenating CO_2 which is either captured from the air or captured from power plant exhausts, among others. The hydrogen used in the process is obtained through electrolysis of water using renewable energy.

Green Hydrogen

Hydrogen is the most abundant element on earth and it doesn't exist by itself, it is produced from compounds that contain it. Currently, it is primarily produced from fossil fuels and can also be produced from biomass and water. Hydrogen can also be produced directly from sunlight and biomass. Electrolytic hydrogen produced from green power, instead of conventional grid electricity, and hydrogen produced from other cleaner mechanisms have been termed as "green hydrogen". Based on sources and processes, hydrogen can be classified into various colours.

Hydrogen can be used for various energy solutions like electricity production from fuel cell, energy storage, among others. Owning to its clean combustion characteristics and zero carbon footprint, it has potential to be the fuel of future. India has also launched the National Hydrogen Energy Mission to enable cost competitive green hydrogen production. India would be conducting competitive bids for green hydrogen to pave the road for viable usage of hydrogen as a fuel.

Green Hydrogen Mission

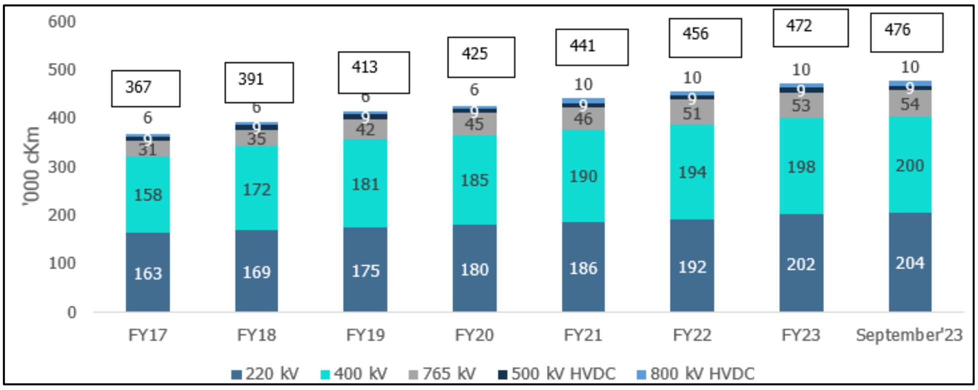
The GoI has also announced National Green Hydrogen Mission with an objective to make India a global hub for production, usage and export of green hydrogen and its derivatives and approved an outlay of ₹ 190 billion to help achieve an annual production target of 5 MMT by 2030 for facilitating the net-zero target. The policy promotes RE generation as RE will be the basic ingredient in making green hydrogen. This in turn will help in meeting the international commitments for clean energy. The National Green Hydrogen Mission with an initial outlay of ₹ 197.44 billion was approved in January 2023 with the overall objective to develop at least 5 million metric tons of green hydrogen production capacity per annum with an associated renewable energy capacity addition of about 125 GW in the country by 2030. Based on the report 'Investment Landscape of Green Hydrogen in India' dated May 2023 released by United States Agency for International Development (USAID) and MNRE, it is estimated that India will require an investment of approximately ₹ 3,030 billion towards ammonia infrastructure and electrolyser capacity to cater to the targeted annual green hydrogen demand of 5 MMT by 2030 under the National Green Hydrogen Mission.

Transmission (Including Green Transmission)

A transmission line is used for the transmission of electrical power from generating substation to the various distribution units. With the current growth trajectory of RE in last few years, coupled with GoI's target of integrating 500 GW non-fossil based installed capacity by 2030, transmission planning has become even more essential to integrate and evacuate RE power. Government owned Power Grid Corporation of India Limited ("**PGCIL**") is the industry leader that owns and operates most of the inter-state and inter-regional transmission lines in the country facilitating transfer of power between different regions. While PGCIL and other state transmission utilities remain major players in the sector, the private sector participation has seen a healthy growth with the introduction of tariff-based competitive bidding and viability gap funding scheme for the inter-state projects.

The transmission line network grew at a CAGR of approximately 3.7% to 4,56,428 cKM as on March 2022 from 3,67,000 cKM as on March 2017. During Fiscal 2023, 14,625 cKM of transmission lines were added taking the total network to 4,71,341 cKM. The transmission line network stood at 4,76,547 as on September 2023. The transmission line capacity is at 12,02,478 MVA as on September 2023.

Transmission line network (220 kV & above)



Source: Central Electricity Authority, CareEdge Research

The substation line network grew at a CAGR of approximately 6.6% to 1.13 million MVA as on March 2022 from 0.741 million MVA as on March 2017. During Fiscal 2023, substation line network grew to 1.18 million MVA.

As per PGCIL, investment opportunity of around ₹ 1,900 billion is expected in interstate transmission system, ₹ 1,960 billion in intrastate transmission system and around ₹ 200 billion in cross border interconnection up to 2030.

For integration of additional wind and solar capacity by 2030, the estimated length of transmission line and sub-station capacity planned is around 50,890 ckm and 4,33,575 MVA, respectively. The investment required for the green transmission is estimated to be around ₹ 2,440 billion as per the Ministry of Power. Out of this, ₹ 281 billion will be required for integration of offshore wind capacities while ₹ 2,160 billion will be required for new solar and wind (onshore) plants.

Green Energy Corridor

Green Energy Corridor Project aims at synchronizing electricity produced from renewable sources, such as solar and wind, with conventional power stations in the grid. GEC comprises of both Inter State Transmission System (ISTS) and Intra State Transmission System (InSTS) along with the setting up of Renewable Energy Management Centre (REMC) and the control infrastructure like, reactive compensation, storage systems, among others.

Inter-State Transmission System Green Energy Corridor Phase-I

The ISTS GEC project with total 3,200 ckm inter-state transmission lines and 17,000 MVA substations was implemented by PGCIL between 2015 to 2020. The project cost is ₹ 113.69 billion with funding mechanism consisting of 30% equity by PGCIL and 70% loan from KfW (EUR 500 Million) and ADB (approximately ₹ 28 billion). The project was implemented to evacuate approx. 6 GW of RE power and included transmission system for 8 solar parks including Ananthapur (1,500 MW), Pavagada (2,000 MW), Rewa (750 MW), Bhadla-III (500 MW), Bhadla-IV (250 MW), Essel (750 MW), Banaskantha (700 MW) and Fatehgarh (1000 MW).

REMC have been installed at the following 11 locations:

- REMC-SR (Tamil Nadu, Andhra Pradesh, Karnataka SLDCs & SRLDC).
- REMC-WR (Gujarat, Maharashtra, Madhya Pradesh SLDCs and WRLDC),
- REMC-NR (Rajasthan SLDC, NRLDC and NLDC)

The InSTS GEC scheme with total target of 9,700 ckm intra-state transmission lines and 22,600 MVA sub-stations was approved by the Cabinet Committee on Economic Affairs (CCEA) in 2015. The InSTS GEC scheme is currently under implementation by the State Transmission Utilities (STUs) of 8 RE rich states, i.e. Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Tamil Nadu. The project cost is ₹ 101.41 billion with funding mechanism consisting of 40% central grant by MNRE, 40% loan from KfW Germany and 20% equity by the STUs.

The projects are being set up for evacuation of about 24 GW of RE power in the above eight States, of which about 16.4 GW RE has been commissioned and connected to the grid through the project's setup under InSTS GEC. As on November 30, 2022, the status of the project is a below:

Status of Intra-State Transmission System Green Energy Corridor Phase-I

State	Lines Target (ckm)	Lines Constructed (ckm)	Substations Target (MVA)	Substations Charged (MVA)
Tamil Nadu	1,068	1,068	2,250	1,910
Rajasthan	1,054	984	1,915	1,915
Andhra Pradesh	1,073	739	2,157	950
Himachal Pradesh	502	470	937	653
Gujarat	1,908	1,429	7,980	6,980
Karnataka	618	609	2,702	2,490
Madhya Pradesh	2,773	2,773	4,748	4,748
Maharashtra	771	625	-	-
Total	**9,767**	**8,697**	**22,689**	**19,858**

Source: MNRE, CareEdge Research

Intra-State Transmission System Green Energy Corridor Phase-II

The InSTS GEC-II scheme with total target of 10,750 ckm intra-state transmission lines and 27,500 MVA sub-stations was approved by the CCEA in January 2022.

The project cost is ₹ 120.31 billion with central financial assistance from MNRE of ₹ 39.7 billion (i.e. 33% of project cost). The balance 67% of the project cost is available as loan from KfW/REC/PFC. The transmission schemes would be implemented by the STUs of seven states, i.e. Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu and Uttar Pradesh for evacuation of approx. 20 GW of RE power in the seven States. Currently, the STUs are preparing the packages and are in process of issuing tenders for implementing the projects. The scheduled commissioning for the projects under this scheme is March 2026. The State-wise brief of the projects under the scheme is as under:

Target under of Intra-State Transmission System Green Energy Corridor Phase-II

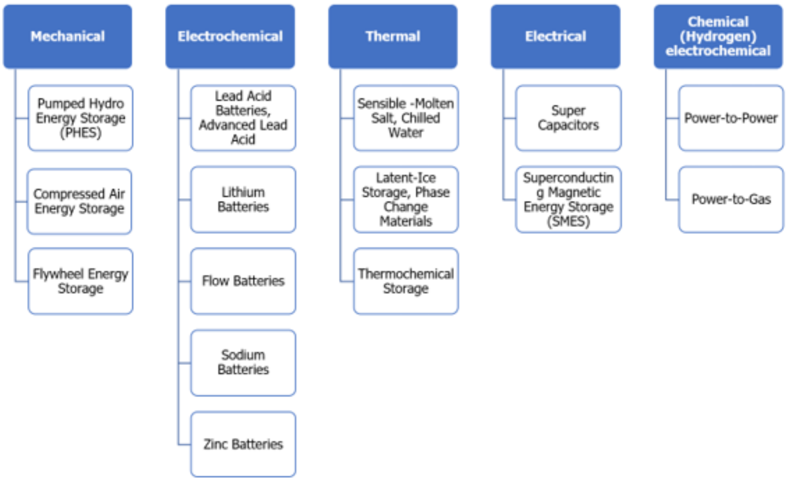
State	Estimated Project Cost (₹ crore)	Length of Transmission Lines (ckm)	Capacity of Substations (MVA)	RE Addition (MW)
Gujarat	3,637	5,138	5,880	4,000
Himachal Pradesh	489	62	761	317
Karnataka	1,036	938	1,225	2,639
Kerala	420	224	620	452
Rajasthan	881	1,170	1,580	4,023
Tamil Nadu	720	624	2,200	4,000
Uttar Pradesh	4,848	2,597	15,280	4,000
Total	**12,031**	**10,753**	**27,546**	**19,431**

Source: Ministry of Power, CareEdge Research

Energy Storage Technologies

The demand of electricity fluctuates throughout the day while the amount of electricity generated is relatively fixed. A major breakthrough in electricity system is developing technology for storage of electricity so that it can be available to meet demand whenever it arises. Electricity storage devices can also help balance micro-grids to achieve frequency regulation to maintain the balance between generation and load and can also achieve a more reliable power supply for high tech industrial facilities. A major driver for early market growth for energy storage generation will be renewable energy integration, replacement of diesel generators on island grids, industrial backup applications, and use of remote equipment. India has committed to increase its share of non-fossil fuel-based generation sources to 50% by 2030, which requires flexibility in power systems. The 'Power for All' target of 24x7 electricity for all had created an increased power requirement and the need to balance the supply and demand of electricity. Hence, Energy storage solutions plays a crucial role in increasing the system's overall flexibility. Energy storage technologies vary depending upon on the type of energy used for storage. The different technologies based on the type of energy are as follows:

Classification of Energy Storage Technologies



Source: CareEdge Research

Energy storage ranges from pumped hydro storage, flywheel, super capacitors, compressed air, flywheels, super capacitors, thermal energy storage, batteries including lithium, among others. depending on the type of technology used. Dispatching electricity within seconds and providing back-up ranging from minutes to many hours are some of the features of advanced energy storage technologies.

The Union Budget 2023-2024 proposed Viability Gap Funding for Battery Energy Storage Systems with a capacity of 4,000 MWH.

Battery Energy Storage

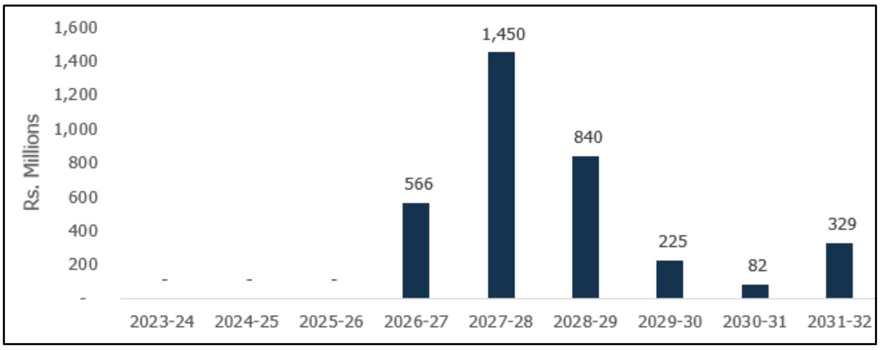
A battery is device with one or more electrochemical cells and majorly works on the principle of electromotive force. Based on battery type, their market is divided into lithium-ion batteries, lead-acid batteries, nickel batteries, flow batteries and others. Even though lead-acid batteries are the most common type of battery, lithium-ion batteries are gaining popularity due to various applications in end user industries such as renewable, telecommunication, and power generation industries. It also has the benefit of being rechargeable battery and hence is used for portable electronics and electric vehicles. The Li-ion battery market is majorly dominated by the electric vehicle sector which consumes 60% of the Li-ion batteries.

Battery Energy Storage Systems

Energy storage systems collects energy from different sources including solar arrays and electric grid, accumulates and stores this energy in rechargeable batteries for later use. A battery energy storage system (BESS) is a compound system that contains various hardware and software components.

The cumulative energy storage demand from grid applications comes about 327 GWh by 2030. India can capture significant value within local economy with the help of successful local battery manufacturing industry and supportive local supply chain. NITI Aayog estimates the market size of battery sector to be around ₹ 163.8 billion in Fiscal 2022 and in the accelerated case scenario, the market size for stationery and mobile batteries could surpass ₹ 491.4 billion by 2026 and ₹ 1,228 billion by 2030. An investment of ₹ 3,493 million will be required between Fiscal 2024 and Fiscal 2032 to achieve the above battery storage requirement. Year-wise investment is given below.

Fund requirement for BESS



Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research

In order to meet the demand for battery with domestic supply, India will require rapid buildout of battery manufacturing. To increase the development for advanced cell batteries, policy push and demand-supply incentives is required. The PLI scheme promises to put India in strong global position and realize its full value from its technology.

Pumped Hydro Storage

Pumped Hydro Storage plays an important role among all forms of storage systems as it is important in providing peaking power and maintain system stability in the power system. The pumped storage technology is cost effective, highly effective and flexible way of energy storage on a large scale to store intermittent and variable energy since they provide large storage capacity compared to other storage technologies. The life cycle of pumped storage is same as hydro projects i.e. 40 years and the efficiency are in the range of 70 to 80%.

Development of PSPs in India

According to Central Electricity Authority, India has a potential of around 96,530 MW in different parts of the country. The western region has the highest potential totalling to 37,845 MW because of the topographical features. West Bengal is the frontrunner for promotion of pumped hydro storage India because of the Purulia project in West Bengal with a capacity of 900 MW which was set up in 2007. As on March 2022, there are 8 PSP projects in the country totalling to 4,546 MW. Out of this around 3,306 MW of capacity is working in the pumped mode currently while the balance is not operating due to construction of tail reservoir or due to vibration issues in the system.

Government Schemes and Policies

Waiver of inter-state transmission charges

The Central government had issued waiver of ISTS charges for PSP and BESS projects in order to promote commissioning and optimum utilization of storage projects on June 21, 2021.The scheme also waiver of transmission charges for trading of electricity generated/supplied from Solar, Wind, PSP and BESS in Green Term Ahead Market (GTAM) and Green Day Ahead Market (GDAM) for till June 30, 2023.

The ISTS charges for power supplied from Hydro PSP or BESS projects shall be levied gradually as follows: (i) 25% of STOA charges for initial 5 years of operation, and (ii) After 5 years, the charges will be increased in steps of 25% every 3rd year to reach 100% of STOA charges from 12th year onwards.

Summary of status of Hydro Pumped Storage

	Nos.	Capacity (MW)	%
Total Potential	63	96,530	
Schemes under operation	8	4,746	4.9%
Schemes under construction	2	1,500	1.5%
Schemes in which construction is held up	1	80	0.08
DPRs Concurred by CEA & yet to be taken up for construction	2	2,200	2.3%
Under S&I for preparation of DPRs	17	16,770	17.4%
Schemes under S&I- Held up	1	660	0.7%
Total Developed	8	4,746	5%
Total Under Development	23	21,210	22%

Source: National Electricity Plan Vol-1 (March 2023), CareEdge Research

Smart Grid and DER Management Solutions and Software

Smart Grid

As per the National Smart Grid Mission (NSGM), Ministry of Power, smart grid is an electrical grid with automation, communication and IT systems that can monitor power flows from points of generation to points of consumption (down to appliances level) and control the power flow or curtail the load to match generation in real time or near real time. Smart grid solutions can contribute to reduction of transmission and distribution losses, peak load management, improved quality of service, increased reliability, better asset management, renewable integration, better accessibility to electricity among others. and also lead to self-healing grids.

Smart meters are digital meters which are similar to conventional meters and record data on energy consumption. However, there meters are also capable of transmitting the energy consumption data to utilities at specific intervals which permits more frequent monitoring of consumption and can assist in reduction of T&D losses.

GoI launched the Revamped Distribution Sector Scheme (RDSS) with an outlay of ₹ 3,037.58 billion and estimated support from Central Government of ₹ 976.31 billion for the duration of 5 years (Fiscal 2022-Fiscal 2027). As on February 2023, 204.6 million pre-paid smart consumers meters, 5.4 million smart Distribution Transformer (DT) meters and 0.198 million smart feeder meters have been sanctioned under this scheme for 46 DISCOMs located in 28 states and union territories.

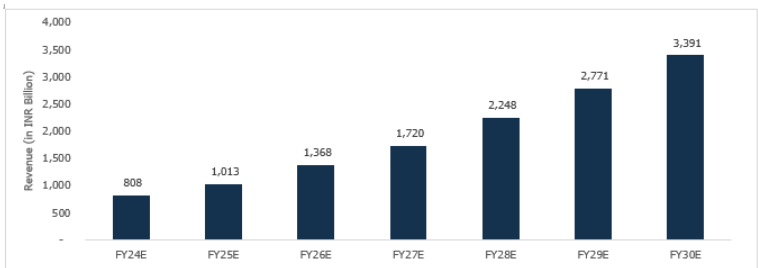
Distributed Energy Resources (DER) Management Solutions and Software

A DER management solution is an IT enabled platform that helps the DISCOMs manage their grids which are based on distributed energy resources which are small scale generation units such as rooftop solar panels, battery storage among others.

Electric Vehicles and Charging Infrastructure

India has been actively promoting the adoption of EVs as part of its efforts to reduce greenhouse gas emissions, improve air quality, and decrease dependence on fossil fuels. The EV market in India has been witnessing steady growth. The sales of electric cars, two-wheelers, and three-wheelers have been increasing in recent years, driven by government incentives, decreasing battery costs, and the introduction of new EV models by domestic and international manufacturers. The Indian government has implemented several policies and incentives to promote EV adoption. Additionally, the government has set a target to achieve 100% electric mobility for public transport and 40% electrification of private vehicles by 2030. As per NITI Aayog estimates, India's EV sales is estimated to be at 70% for commercial car, 30% for private cars, 40% for buses, and 80% for two-wheelers and three-wheelers respectively by 2030. The current market size of electric two-wheelers (the largest segment in EV), electric three-wheelers and electric four-wheelers is estimated to be around ₹ 90 billion, approximately ₹ 100 billion, and approximately ₹ 85 billion, respectively. The expected revenue generation from overall EV sales is estimated to reach approximately ₹ 4,000 billion around 2030 in India. The sales across each EV segment is expected to clock strong growth going forward owing to governmen push towards green mobility.

Annual Revenue forecast from EV sales



Source: Centre of Energy Finance, CareEdge Research

The development of charging infrastructure is essential for the growth of the EV market in India. The government's investment in charging infrastructure is a positive step towards making EVs more accessible to Indian consumers. India is working on the expansion of its EV charging infrastructure to support the growing number of electric vehicles. Both public and private entities are investing in the establishment of charging stations across cities, highways, commercial complexes, and parking areas.

As per the data of Bureau of Energy Efficiency, there are 8,735 public charging stations and 84 charge point operators across India. Maharashtra has emerged as the frontrunner in supporting EVs, with 2,354 public charging station, followed by Delhi with 1,619 charging stations, while Karnataka boasts of 736. Tamil Nadu, Uttar Pradesh, and Telangana have 465, 449, and 425 charging stations, respectively. The government is also providing incentives for businesses to set up private charging stations.

The government plans to have 500,000 public charging stations by 2025. While India is making significant progress in developing its EV charging infrastructure, there are still challenges to address, such as the need for more widespread and reliable charging stations, grid infrastructure upgrades, and ensuring affordability and accessibility for all segments of the population. Continued government support, private investments, and collaborations between stakeholders will be crucial for the rapid expansion of EV charging infrastructure in the country.

Latest Developments

In March 2023, the government announced that it will invest ₹ 1,064.7 billion to promote the manufacturing of EVs in the country. The investment will be used to set up new manufacturing facilities, to develop new technologies, and to create a skilled workforce. In April 2023, the government announced that it will increase the blending of ethanol in petrol from 10% to 20% by 2025. This blending program is known as E20, and it is expected to help reduce India's oil imports by 1.2 billion litres per year. In May 2023, the government announced that it will set up a network of 500,000 electric vehicle charging stations across the country by 2025. The charging stations will be located at public places, such as malls, parking lots, and bus stops. In June 2023, the government announced that it will invest ₹ 40,950 million in research and development for ethanol production. The investment will be used to develop new technologies for ethanol production, such as the use of non-food crops and waste materials.

India has witnessed a significant expansion of its EV charging infrastructure. These are some recent developments in EV charging infrastructure in India: In March 2023, the company Tata Power announced that it will set up 100,000 electric vehicle charging stations across India by 2025. In April 2023, the company ABB announced that it will set up 20,000 electric vehicle charging stations across India by 2025. In May 2023, the company Bharat Petroleum Corporation Limited announced that it will set up 7,000 electric vehicle charging stations across India by 2025.

Government Policies

The GoI has implemented a number of policies to promote the adoption of electric vehicles (EVs) and the development of charging infrastructure in the country. These policies include:

- **The Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India) scheme:** This scheme provides subsidies for the purchase of EVs and for the development of charging infrastructure.

- **The National Electric Mobility Mission Plan:** This plan aims to achieve 100% electric public transportation by 2030.

- **The Production Linked Incentive scheme for manufacturing of Advanced Chemistry Cell (ACC) batteries:** This scheme provides financial incentives to companies that set up manufacturing facilities for ACC batteries in India.

- **The EBP Programme:** This programme mandates the blending of ethanol with petrol at a minimum of 10%. The government has set a target of increasing the blending ratio to 20% by 2025.

- **The Interest Subvention Scheme for enhancement and augmentation of the ethanol production capacity:** This scheme provides financial assistance to ethanol producers to help them expand their production capacity.

EV Manufacturing

The rise of electric vehicles is having a significant impact on the transportation industry. India is actively promoting EV manufacturing as part of its sustainable transportation goals. The government's initiatives like localization combined with the participation of domestic and international stakeholders, are expected to drive the EV manufacturing in the country.

Some of the latest developments in EV manufacturing in India are:

Incentives and Subsidies: The Indian government continues to provide incentives and subsidies to promote EV manufacturing and adoption. In 2021, the government announced a PLI (Production-Linked Incentive) scheme for the auto sector, including EV manufacturers. The scheme provides financial incentives based on incremental sales and manufacturing investment, aiming to boost domestic production and exports of EVs.

Domestic Manufacturing Investments: Several domestic and international automakers have announced plans for EV manufacturing in India. Companies like Tata Motors, Mahindra & Mahindra, MG Motor, and Ola Electric have invested in establishing manufacturing facilities or expanding existing ones to cater to the growing demand for EVs.

Battery Manufacturing: India is making efforts to enhance domestic battery manufacturing capabilities. In recent developments, leading battery manufacturers such as Exide Industries and Amara Raja Batteries have announced plans to set up lithium-ion battery manufacturing units in collaboration with international partners. This move aims to reduce dependence on imported batteries and strengthen the EV ecosystem in India.

Charging Infrastructure Expansion: The Indian government, along with public and private entities, is focused on expanding the charging infrastructure across the country. Various initiatives have been undertaken to set up charging stations in cities, highways, and public parking areas. Additionally, electric mobility platforms like BluSmart and Ola Electric are investing in establishing charging networks to support EV adoption.

Government Policies

The Indian government has also implemented several policies and initiatives to promote EV manufacturing in the country. These policies aim to support domestic production, attract investments, and accelerate the adoption of electric vehicles. Here are some key government policies related to EV manufacturing in India:

National Electric Mobility Mission Plan (NEMMP): The NEMMP, launched in 2013, outlines the government's long-term vision and goals for electric mobility in India. It aims to achieve substantial EV penetration by 2030 and promote domestic manufacturing of EVs and their components.

Make in India Initiative: The Make in India campaign, initiated in 2014, encourages domestic and foreign companies to establish manufacturing facilities in India. This policy aims to boost manufacturing capabilities and create employment opportunities in the EV sector.

Phased Manufacturing Program (PMP): The PMP focuses on indigenization and localization of EV components and aims to reduce dependence on imports. Under this program, the government provides incentives to manufacturers for domestic production and encourages the development of a robust supply chain.

National Mission on Transformative Mobility and Battery Storage: Launched in 2019, this mission focuses on promoting advanced battery manufacturing in India. It aims to attract investments, support research and development, and establish a robust ecosystem for battery manufacturing and recycling.

These government policies in India play a crucial role in encouraging EV manufacturing creating a conducive environment for growth and sustainability in the respective sectors. These policies are aimed at creating a supportive environment for the growth of the EV manufacturing in India.

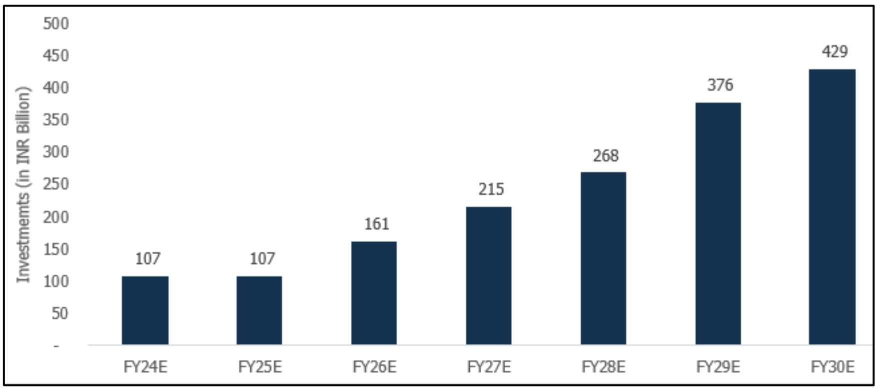
EV Battery

The battery is one of the most important components of an electric vehicle (EV). It stores the energy that powers the vehicle's motor, and its performance has a significant impact on the vehicle's range, efficiency, and cost. The battery is the most expensive component in an EV, switching it allows companies to offer it as a service via lease or subscription models which would help in lowering the cost of owning and maintaining the EV. Due to import dependency, many EV manufacturers are importing Lithium and lithium-ion, further not complying with the Make-in-India initiatives. Lithium-ion batteries are the most popular and commonly used energy source for electric vehicles. Li-ion batteries have a high energy density and are relatively lightweight, which helps to improve the overall range of the EV. India does not have enough lithium reserves for manufacturing lithium-ion batteries and almost all-electric vehicles in the country run on batteries imported mostly from China, which is the largest producer. As a result, all manufacturers import cells and battery packs. India's heavy dependency on imports for electric vehicle batteries has resulted in exorbitant prices for these vital components, and eventually, the high cost of electric vehicles.

Other types of batteries that are sometimes used in EVs in India include lead-acid batteries and nickel metal hydride (NiMH) batteries. Lead-acid batteries are the most affordable type of battery, but they have a lower energy density and a shorter lifespan than Li-ion batteries. NiMH batteries have a higher energy density than lead-acid batteries, but they are not as common as Li-ion batteries.

Battery manufacturing in India could become ₹ 85,900 crore (USD 12 billion) business in India by 2030. The progress of EV adoption is likely to create an unprecedented demand for batteries. The need for batteries will be driven by both new sales of EVs and the demand for replacement batteries in existing EVs.

Investments required for India to meet EV Battery Demand



Source: CEEW-CEF analysis, CareEdge Research

NITI Aayog estimates a demand of 100-260 GWh of lithium cells in India by 2030. The government's PLI scheme aims to establish 50 GWh of manufacturing capacity with 60% value addition over a five-year period

Some of the latest developments in EV battery are:

The development of new battery technologies is essential for the growth of the EV market in India. As battery technology improves, EVs will become more affordable, efficient, and convenient. This will make EVs more appealing to consumers, and it will help to accelerate the growth of the EV market in India. Significant capital expenditure has been invested in setting up lithium-ion battery manufacturing plants, with Gujarat being the primary location followed by Andhra Pradesh and Telangana. However, achieving widespread indigenization of lithium-ion battery production in the medium to long term is unlikely. The majority of lithium-ion batteries are imported, primarily from China and Vietnam. The cost of batteries constitutes the largest portion (40-50%) of EV costs. Limited access to core raw materials like lithium and the technology-intensive nature of manufacturing present challenges to localization efforts. The government needs to incentivize companies to acquire overseas lithium mines. Localization potential is high for chassis, bodies, and battery management systems, while specialized components such as batteries and motors may face limitations due to the scarcity of rare earth magnets. In addition to these developments, there are also a number of other companies in India that are working on developing new battery technologies for EVs. These companies include Amara Raja Batteries, Exide Industries, and L&T Technology Services. The GoI is also investing in research and development for EV batteries. This research is focused on developing new battery technologies that are more efficient, safer, and affordable.

Government Policies

The GoI is taking a number of steps to promote the development of the domestic battery manufacturing industry for electric vehicles (EVs). In the Union Budget 2023-24, the government has allocated ₹3,50,000 Bn to achieve the energy transition, energy security and net zero objectives, which will help the EV industry to work alongside them in addressing the issues related to Climate Crisis. The Finance Minister has announced that the customs duties exemption has been extended for the import of goods and machinery required to manufacture lithium-ion cells for EV batteries. This will ensure more local production and manufacturing of Li-On batteries, thus keeping a check on the prices of electric vehicles. The minister also proposed continuing the concessional duty on lithium-ion battery cells for another year. This would give automobile OEMs a boost to launch more EVs with high local content. Also, the Battery energy storage systems will be promoted by the government to steer the economy on the sustainable development path with the capacity of 4,000MWh.

Some of the initiatives taken by the government:

Battery swapping: Battery swapping is a new technology that allows EV owners to swap their depleted batteries for charged batteries. This can be done quickly and easily, making it a convenient way to extend the range of an EV. In the Budget 2022-23, it was announced that a Battery Swapping Policy for electric vehicle charging in congested areas will be drafted soon. The introduction of updated building by-laws has also been announced by the Finance Minister. The Indian government has plans to finalize incentives for electric cars (EVs) under its new battery exchange scheme. The policy would initially focus on battery swap services for electric scooters, motorcycles, and three-wheeled auto rickshaws, which may help in increasing deployment of EVs for last-mile delivery and ride-sharing. EV drivers can use Battery Swapping to replace discharged battery with freshly charged ones at swap stations. This is faster than charging the vehicle and relieves drivers of range anxiety. The battery is the most expensive component in an EV, switching it allows companies to offer it as a service via lease or subscription models which would help in lowering the cost of owning and maintaining the EV.

Production-Linked Incentive (PLI) scheme and National Programme on Advanced Chemistry Cell (ACC) Battery Storage: The Union Budget 2023-24 has earmarked ₹80,830 Bn for production-linked incentive (PLI) schemes, the bulk of the money going to large-scale electronics manufacturing, pharma, auto and auto components, and food processing. The incentives in this scheme, is linked to turnover, with the government offering a maximum of 18% incentives depending on a company's incremental turnover. The purpose of this PLI scheme is to assist the development of technological adoption that are currently low in India, and it can be used in collaboration with other schemes like as the Faster Adoption of Manufacturing of Electric Vehicles (FAME) scheme and the PLI scheme for advanced chemistry cells (ACC). This will further encourage the development of advanced automotive products, the most prominent of which is battery electric technology. In 2022, the government launched the National Programme on Advanced Chemistry Cell (ACC) Battery Storage. This program aims to promote the development of the domestic ACC battery manufacturing industry. In 2021, the government launched a PLI scheme for the manufacture of advanced chemistry cells (ACCs) for EVs. The PLI scheme is expected to help to reduce the cost of EV batteries in India, and it is expected to boost the domestic battery manufacturing industry.

Standards for EV batteries: The government has also issued a number of standards for EV batteries, such as the Bureau of Indian Standards standard for lithium-ion batteries. These standards are designed to ensure the safety and quality of EV batteries.

Incentives for EV battery manufacturing: The government also offers a number of financial incentives for EV battery manufacturing, such as capital subsidies and tax breaks. These incentives are designed to make it more attractive for companies to invest in the domestic battery manufacturing industry.

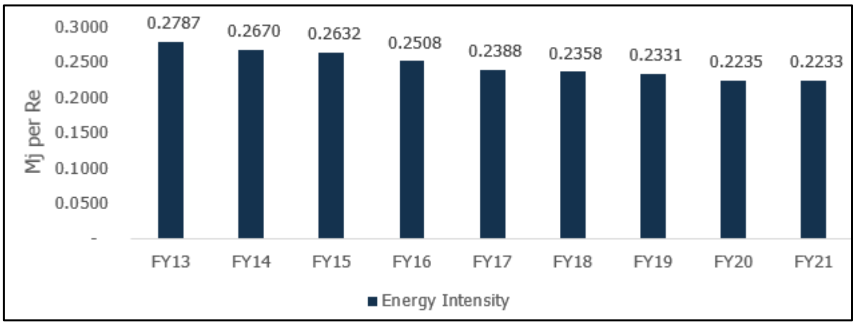
Energy Efficiency

As the primary energy demand in India is expected to be on an upward trajectory driven by rising income levels and economic growth, the government has taken multiple measures to ensure availability with minimum growth in CO_2 emissions. Energy efficiency is when specific energy consumption (units of energy consumed per unit of output) of a device or equipment is improved by changing the technology deployed. Efforts are being made to efficiently use energy through various innovative policy measures under the overall ambit of Energy Conservation Act which was enacted in 2001 with the goal of inducing energy intensity of the Indian economy.

The GoI set up the Bureau of Energy Efficiency (BEE) in March 2002 under the provisions of the Energy Conservation Act, 2001. The mission of the BEE is to assist in developing policies and strategies with a thrust on self-regulation and market principles, within the overall framework of the Energy Conservation Act, 2001 with the primary objective of reducing the energy intensity of the Indian economy. BEE coordinates with designated consumers, designated agencies and other organizations and recognize, identifies and utilize the existing resources and infrastructure, in performing the functions assigned to it under the Energy Conservation Act. The Energy Conservation Act provides for regulatory and promotional functions. For energy conservation, the main technology of the device or equipment remain unchanged; however, the unproductive use of energy is minimized.

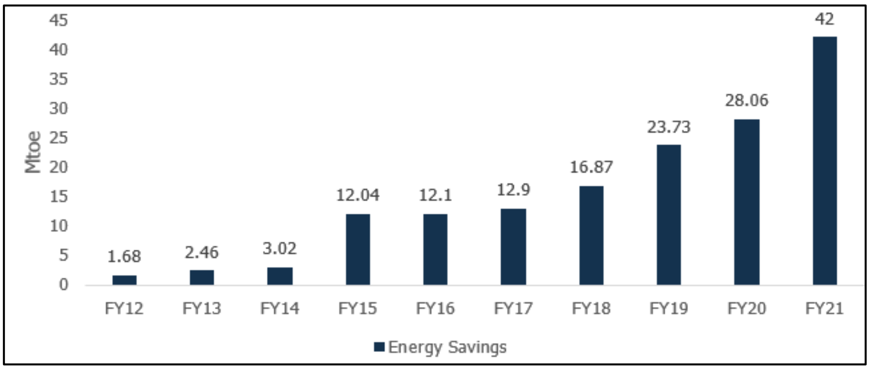
The government has taken several energy efficiency initiatives which has resulted decline of in energy intensity of the country from 0.2787 mega joule (MJ) per Re in FY13 to 0.2233 MJ per Re in Fiscal 2021(P) and net savings of 210.00 BUs i.e. reduction of 9.71% of net electricity consumption, till Fiscal 2021.

Energy Intensity of India



Source: Central Electricity Authority, National Electricity Plan 2022-2032, CareEdge Research

Impact of Energy Efficiency Measures on India's Energy Consumption



Source: Central Electricity Authority, National Electricity Plan 2022-2032, CareEdge Research

Government Initiatives

Energy efficiency in appliances sector – Standards and Labelling Programme

This scheme promotes energy efficiency at the citizens' level through use of more efficient appliances like Air Conditioners, Refrigerators, Televisions, Geysers among others. by regulation of standards and increasing awareness through informative campaigns. It was launched with the objective of providing consumers an informed choice about the energy and cost saving potential of the labelled appliances/equipment being sold commercially. This scheme entails laying down minimum energy performance norms for appliances / equipment, rating the energy performance on a scale of 1 to 5, 5 stars being the most energy efficient. Energy labelling is one of the most cost-effective policy tools for improving energy efficiency and lowering associated energy cost of appliances or equipment. As on January 2023, the programme covers 30 appliances out of which 11 appliances are under the mandatory regime while as the remaining 19 appliances are under the voluntary regime.

Expanding coverage of industrial efficiency adoption under National Mission for Enhanced Energy Efficiency (NMEEE)

National Mission for Enhanced Energy Efficiency (NMEEE) is one of the eight national missions under the National Action Plan on Climate Change (NAPCC) that was released in June 2008 by the GoI.

One of the flagship schemes under NMEEE, the Perform, Achieve and Trade (PAT) scheme is a mechanism designed to achieve emissions reduction in energy intensive industries and it is designed on the concept of reduction in Specific Energy Consumption (SEC). It involves assessment of SEC in the baseline year and projected SEC in the target year covering different forms of net energy going into the boundary of the plant and the products leaving out of it over a particular cycle.

The PAT scheme is implemented on a rolling cycle basis and new sectors are added year. Six PAT cycles have been implemented till date. 198 Designated Consumers under PAT scheme for the period 2022-2025 has been notified. BEE has notified PAT Cycle –VII commencing from 2022-23 to 2024-2025 wherein 707 Designated Consumers from 9 sectors have been notified with total energy consumption reduction target of 8.485 Mtoe.

Energy Conservation Building Code (ECBC)

The Energy Conservation Building Code (ECBC) of BEE sets minimum energy performance standards for commercial buildings having a connected load of 100kW or contract demand of 120 KVA and above. While the Central Government has powers under the EC Act, the State Governments have the flexibility to modify the code to suit local or regional needs and notify them.

Demand Side Energy Efficiency

Energy Efficiency and Demand Side Management (DSM) measures in the Energy Sector is a cost-effective tool. Energy Efficiency programs encourage the installation of end-use technologies that consume less energy, thereby reducing and/ or shifting the customers' overall electric bill. Energy Efficiency and DSM programs can help utilities to reduce their peak power purchases on the wholesale market thereby lowering their overall cost of operations. Total of 62 DISCOMs have been covered under this programme which has promoted energy efficiency measure in agriculture and municipal sectors among others.

Other Initiatives

Programmes have also been launched for promoting energy efficiency in SMEs, transportation sector among others. Fiscal Support - BEE supports Partial Risk Sharing Facility (PRSF) for energy efficiency which is implemented by World Bank through SIDBI in India. PRSF guarantee is for maximum 75% of loan amount or ₹ 150 million per project, whichever is less. Till date, SIDBI has issued 18 guarantees with project cost worth ₹ 2.75 billion (approx.) and guarantee of worth ₹ 634.5 million has been issued.

State Energy Efficiency Index: BEE has developed the State Energy Efficiency Index program with an objective to help drive energy efficiency policies and program implementation at the state and local level. This index promotes best practices, encourages healthy competition among states and tracks progress in managing the States' and India's energy footprint.

Waste Management, Recycling and Other Activities of Circular Economy

India, characterized by its extensive population and diverse economy, encounters noteworthy complexities in waste management and environmental sustainability. Nevertheless, the nation has undertaken proactive measures to address these challenges and foster waste management, recycling, and other circular economy activities.

Waste Management Initiatives

Swachh Bharat Mission: The Swachh Bharat Mission, initiated in 2014, endeavours to achieve cleanliness and eliminate open defecation in India. It has garnered substantial recognition and emphasis on waste management and sanitation practices throughout the country. The mission primarily concentrates on generating awareness, constructing household and community toilets, and establishing robust systems for solid waste management.

Solid Waste Management Rules: In 2016, India implemented new solid waste management regulations to tackle the complexities associated with waste generation and disposal. These regulations place significant emphasis on waste segregation at the point of origin, decentralized waste processing, and the promotion of recycling and composting practices. Additionally, the regulations aim to integrate informal waste pickers into the formal waste management sector, recognizing their valuable role in waste collection and recycling activities.

Recycling Initiatives

Extended Producer Responsibility (EPR): India has enacted Extended Producer Responsibility (EPR) regulations, imposing the responsibility on producers to manage the waste generated by their products throughout the entire lifecycle. This encompasses activities such as waste collection, recycling, and safe disposal. EPR serves as a mechanism to incentivize manufacturers to adopt environmentally friendly product designs, optimize packaging materials, and establish take-back systems to facilitate efficient recycling processes. By implementing EPR, India aims to enhance producer accountability and promote sustainable waste management practices in the industrial sector.

E-waste Management: Electronic waste (e-waste) represents a considerable environmental and health risk. Recognizing this concern, the Indian government introduced the E-waste Management Rules in 2016. These regulations mandate the appropriate handling, disposal, and recycling of electronic waste in order to mitigate its adverse impacts. To facilitate the implementation of these rules, authorized e-waste recyclers and collection centers have been established across the country, ensuring the adoption of safe and efficient recycling practices in the management of e-waste.

Circular Economy Initiatives

National Plastic Waste Management Mission: Launched in 2018, has the primary objective of reducing the generation of single-use plastic waste and promoting effective recycling and waste management practices. This mission places significant emphasis on the segregation and systematic collection of plastic waste, the establishment of robust recycling infrastructure, and raising awareness about the detrimental environmental consequences of plastic pollution. Furthermore, the mission encourages the exploration and adoption of alternative materials as substitutes for plastic and actively supports research and innovation endeavours in the field of sustainable packaging.

Waste-to-Energy Projects: India has been actively engaged in promoting waste-to-energy projects as a viable solution to address the dual challenges of waste management and meeting energy demands. These projects involve the conversion of organic waste, including municipal solid waste and agricultural residues, into valuable energy resources such as electricity or biogas. By adopting waste-to-energy technologies, India aims to alleviate the burden on landfills, minimize environmental pollution associated with waste disposal, and simultaneously harness renewable energy sources.

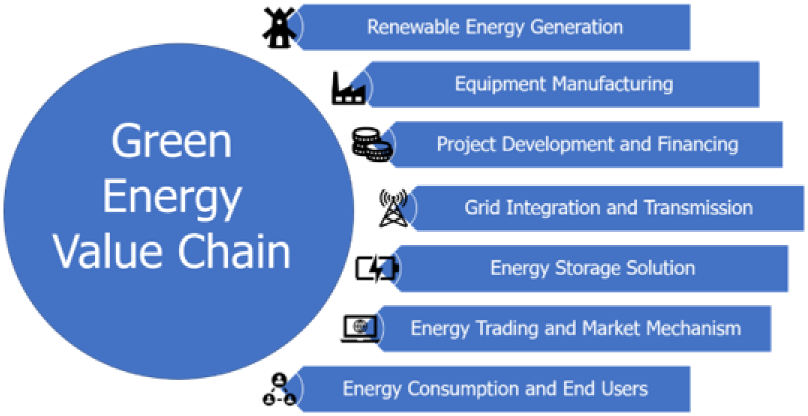
Organic Waste Management: Multiple initiatives have been implemented to promote decentralized composting of organic waste in India. This approach entails diverting organic waste away from landfills and instead processing it into compost rich in nutrients for agricultural use. Community-based composting programs actively engage citizens, leading to increased participation and a sense of ownership. Additionally, decentralized composting reduces transportation costs and contributes to the improvement of soil health through the application of nutrient-rich compost in agricultural activities.

Green Energy Value Chains

Generation, transmission, distribution, and consumption of green energy are the interconnected processes involved in the green energy value chain. These are the various stakeholders that contribute to the development of renewable and green energy in India.

The green energy value chain is rapidly evolving driven by the government support and policies, renewable energy targets, and growing demand for green and clean energy sources.

Green Energy Value Chain



Source: CareEdge Research

Renewable energy generation involves generation of electricity from renewable sources i.e. solar, wind, hydro and bioenergy. It includes the installation and operation of the of the renewable power plants that are large scale and distributed.

Equipment Manufacturing is the sector that produces renewable energy equipment like solar panels, wind turbines, biomass boilers and hydroelectric turbines. This sector plans an important role in the entire green energy value chain. It includes the manufacturing of the components, assembly, and quality control.

In India, the capacity for solar equipment is around 12 GW/ year for solar module, 3 GW/ year for solar cells and around 5 GW/year for solar inverters, however, given the rapid pace of expansion, this capacity is not sufficient to meet domestic demand and India is significantly reliant on imports. Hydro power plants require hydro-mechanical, electro-mechanical and civil works. In terms of availability, India has sufficient number of companies involved in each of these fields, however, some components like hydraulic systems for gates of hydro power plants are yet to be fully indigenization. As for wind power projects, India has around 17 wind turbine manufacturers with annual domestic production capacity of around 10,000 MW/year. India has manufacturing base for most of the wind components in the country and they supply components to wind turbine industry and export the components to the global markets as well. Equipment manufacturing for small hydropower equipment is in order of 1,000 MW/year and India has around 6-7 established manufacturers for the same. Most of the raw material requirement for small hydro power plants are available in India, however, 20% of the components of the generators are imported. For bioenergy, all equipment, technology and service are sourced indigenously.

Project Development and Financing involves project development by the companies and organization that include identifying suitable sites, securing necessary permits and clearances, and arranging for financing of the renewable projects. Financing can be done by investors, financial institutions, and government agencies by various means.

The equity for sourcing the financing for renewable power projects are done through initial public offering by listing in the markets, follow on public issue, convertible debentures and monetization of operational assets. Equity investments can also come directly from mutual funds, insurance companies, among others. The sources for debt funding are scheduled commercial banks, financial institutions like Power Finance Corporation, Rural Electrification Corporation, Life Insurance Corporation, IREDA, commercial banks and bonds, external commercial borrowing, foreign currency in form of loans from World Bank, ADB, KfW, EXIM, among others. Other sources include financing through various schemes like Green Climate Fund, Green bonds, among others. As per World Bank Data, Indian green bond issuances have reached a total of USD 21 billion as on February 2023 out of which private sector was responsible for 84% of the total. The largest green bond issuer in India Greenko Group for funding hydro, solar, and wind power projects in several Indian states with its green bond proceeds. Ghaziabad Nagar Nigam, a civic body in Uttar Pradesh, is the first Indian local government to have issued a green bond. India issued its first tranche of its first sovereign green bond worth ₹ 80 billion on January 25, 2023 and on February 9, 2023, the GoI announced the issuance of another ₹ 80 billion in sovereign green bonds.

Grid Integration and Transmission ensures that the green energy is efficiently integrated into the existing power grid infrastructure. Development of transmission and distribution infrastructure, grid connectivity, grid management, among others. are the various activities involved to ensure smooth and reliable integration of the green energy.

Energy storage solutions are technologies like compressed air energy storage, flywheel, thermochemical storage, supercapacitors, superconducting magnetic coil energy storage (SMES), batteries and pumped hydro storage, among others. which are essential for storing excess electricity generated from intermittent renewable sources and ensuring stable and reliable power supply when needed. Energy storage solutions help in effective utilization of the green energy and help in balancing power fluctuation and peak demands.

Energy trading and market mechanism include the trading of green energy through market mechanism by way of renewable energy certificates (RECs) and Energy Efficiency Certificates (EECs). There are energy trading platforms in India like Indian Energy Exchange (IEX) and Power Exchange India Limited (PXIL) that enable market participants to trade in RECs and EECs. Energy Consumption and End users are the ultimate end users of the value chain that include residential, commercial, industrial, agricultural and other sectors. The ultimate aim of the green value chain is to meet the energy requirement of the end users. Increasing awareness about green energy and sustainability will increase the adoption of renewable energy among the end users and contribute to the growth of the green energy value chain of the country.

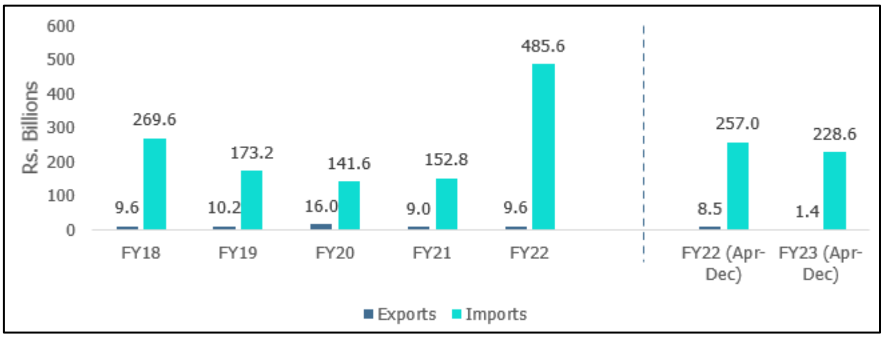
Manufacturing of green energy generating devices

Efforts are being taken by the India reduce the dependency on imports for power plant equipment through Make in India (MII) initiative to reduce import component in power plant equipment. The GoI has issued Public Procurement (Preference to Make in India) Order 2017 via Department of Industrial Policy and Promotions (DIPP) to promote manufacturing and production of goods and services in India with a view to enhance income and employment. Ministry of Power issues order time to time wherein the preference shall be given by all public procuring entities to domestically manufactured products used in the Power Sector.

Solar Module and Cells

The government had introduced the PLI Scheme to promote local manufacturing in the country. Of the 13 sectors for which PLI has been approved, 'High Efficiency Solar PV Modules' has also been included with MNRE as the designated ministry. MNRE has appointed India Renewable Energy Development Agency Limited (IREDA) as the implementing agency for the PLI Scheme 'National Programme on High Efficiency Solar PV Modules' Tranche-1. The financial outlay for PLI for 'High Efficiency Solar PV Modules' Tranche-1 over a five-year period is ₹ 45 billion. Under Tranche-1 of the PLI scheme, a total integrated capacity of 8,737 MW was allocated. The Government has further allocated a total capacity of 39,600 MW of domestic Solar PV module manufacturing across 11 companies as beneficiary under the PLI Scheme for High Efficiency Solar PV Modules (Tranche-II), with a total outlay of ₹ 140 billion. Manufacturing capacity totalling 7400 MW is expected to become operational by October 2024, 16,800 MW capacity by April 2025 and the balance 15,400 MW capacity by April 2026. The Tranche-II is expected to bring in an investment of ₹ 930 billion. The PLI scheme is expected to add 48 GW of domestic Solar Module manufacturing capacity in the next 3 years. Apart from this, the Government is expected to continue focus on conductive environment to increase domestic production and improving the local supply chain. For solar, there is large import dependency for solar cells and modules despite significant progress being made in indigenous manufacturing. In Fiscal 2022, solar cells and modules exports have increased by 9% compared to Fiscal 2021 whereas the imports have increased by 218% during the same period. The growth in imports has been significant because of imposition of BCD[1] as manufacturers tried to stock up on their raw material inventory. The imports reduced by 11% in Fiscal 2023 (9 months) year-on-year while the exports declined by 84% in the same period after the BCD being imposed.

Import and Export of Solar Cells and Modules



Source: Ministry of Commerce and Industry, CareEdge Research

Indian solar power producers are still dependent on imports of solar modules mainly from China which accounts for about 90% of the total imports, followed by Hong Kong and Malaysia, assessed based on to the value of imports. The imports consist mainly of photosensitive semiconductors, photovoltaic cells, solar modules and panels.

According to CEEW Centre for Energy Finance (CEEW-CEF), the push to improve local manufacturing could lead to domestic solar manufacturing reaching a market size of ₹ 2,457 billion by 2030 from selling 150 GW. To reach the 150 GW capacity of domestic solar manufacturing, investment worth ₹ 589.7 billion is required in the next 2-3 years in India.

Wind Turbines

Around 70-80% indigenization has been achieved with strong domestic manufacturing in the wind sector. There are over 17 wind turbine manufacturers available in India with domestic annual production capacity of around 10,000 MW/year. The components are domestically sourced and exported to the global wind turbine market as India has a manufacturing base for major wind components in the country.

India also has a manufacturing capacity of around 6GW/year for wind turbine gearbox which is more than requirement by the wind turbines in India. Although, the capacity is sufficient, gear box required for wind turbines are also imported due to issues related to quality, cost and delivery lead time. In addition, the manufacturing capacity for pitch and yaw drivers is also sufficient at more than 10 GW/year.

In order to encourage the manufacturing of Wind Turbine Generators (WTG) in India, Government is providing financial incentive in the form of Concessional Custom Duty Exemption on some of the critical components required to be imported for manufacturing of WTG. Ministry of Finance has provided the concessional custom duty benefit till 31.03.2025. Wind Turbine Generators/ Models which are included in the RLMM list of MNRE for OEM and component are only eligible for concessional custom duty.

Hydrogen Electrolyser

In January 2023, the GoI has approved the National Green Hydrogen Mission that targets the green hydrogen production to reach 5MT per year by 2030 with an initial outlay of ₹ 197.44 billion. As per a report dated May 2023 on Investment Landscape of Green Hydrogen in India released by MNRE and United States Agency International Development (USAID), India’s own internal market for electrolysers could be around 29 GW by 2030 with an investment demand of ₹ 2,129 billion. As per Union Minister RK Singh, the government is expected to come up with a PLI scheme for investors in electrolyser manufacturing.

India’s electrolyser manufacturing is at nascent stage and as per MNRE, India is already home to about 6 alkaline electrolyser manufacturers. There are a few PSUs in India that have the manufacturing capabilities for producing balance of plant (BoP) components, but the domestic production of electrochemical stacks is muted. The current demand of electrolyser is met through imports. There are indigenous solution providers who have partnered with international electrolyser manufacturers to meet the domestic demand for hydrogen.

Manufacturing of energy efficiency devices

For the purpose of energy efficiency, smart meters are used. Smart meters help DISCOMs reduce aggregate technical and commercial losses, improve their financial health, incentivize energy conservation, enhance ease of bill payments, consumer satisfaction and ensure billing accuracy by getting rid of manual errors in meter reading. There is continuous need for innovation in smart metering and advance metering infrastructure. While there are some domestic manufacturers, India imports a majority of its smart meter requirement from countries like China, Poland and Austria.

Carbon Offset Solutions

Carbon Capture Utilization and Storage

Carbon Capture Utilization and Storage (CCUS) involves capturing carbon dioxide at emission sources such as coal-based power plants and then using them for making items such as building materials, or permanently storing them at underground locations. The technology helps in capturing the carbon dioxide before it can enter the atmosphere and therefore, helps in reducing emissions. The captured CO_2 can then be utilized for production of value-added products such as green urea, building materials, polymers and chemicals among others. thereby adding to the overall circular economy. CCUS can be installed across industries including power, steel, cement, oil and gas.

Mission Innovation Challenge on CCUS has been launched with an objective to enable near zero CO_2 emissions from power plants and other carbon intensive industries. Department of Science and Technology, in collaboration with Department of Biotechnology has established a national program on CO2 storage research which supports carbon capture research and develops pilots and projects.

Thermal power generation is the biggest contributor to the carbon emissions in the country. Even with the targeted 50% renewable capacity by 2030, thermal power will remain one of the largest sources of power. Thus, CCUS in power sector is essential to achieve the CO_2 emission reduction targets. However, the capital outlay for setting up CCUS solution for a power plant is significant and some support from the government in the form of viability gap funding, tax subsidies among others. may be required for greater adoption of this technology.

Nature-based solutions for Carbon Capture

Nature-based solutions for reducing carbon dioxide in the atmosphere include reforestation and afforestation, restoration of coastal wetlands and mangroves, using restorative agricultural practices such as cover crop, crop rotation among others. These practices help in capturing the CO2 from the atmosphere and trapping them in plants and the soil.

There are certain other nature-based solutions which have been developed such as biomass burial and biochar.

Biomass Burial: When the plants and trees decay, the trapped CO_2 returns to the atmosphere. Under biomass burial, such plants and trees and buried underground or in saline pits to lock up the carbon and avoid composting.

Biochar: Biochar is a charcoal like substance which is formed by heating biomass in limited supply of oxygen. In this process (pyrolysis), the biomass does not combust and no carbon is emitted. The process creates a stable form of carbon which can be stored in the soil.

Carbon credit trading

Carbon trading is buying and selling the right to emit a tonne of CO_2 or CO_2 equivalent of other greenhouse gases, also referred to as carbon credits. Carbon credits have been devised as a mechanism to reduce greenhouse gases and are issued by the governments or government approved certification bodies. They are created from projects or companies that are able to remove greenhouse gasses from the atmosphere or keep emissions from being released. Companies or individuals, who are unable to adhere to their emission targets, purchase carbon credits as an offset mechanism. Carbon credits are also traded on exchanges in a number of countries.

Adaptation and Resilience

Pollution and Sanitation

India faces significant challenges related to pollution and sanitation, which require adaptation and resilience measures to mitigate their impact on public health and the environment. Adaptation and resilience are important concepts in the context of pollution and sanitation in India. Adaptation refers to the process of adjusting to a changing environment, while resilience refers to the ability to recover from a disturbance.

By taking steps to adapt and build resilience, India can better protect its citizens from the health and environmental impacts of pollution and sanitation. Pollution and sanitation challenges in India require robust adaptation and resilience strategies. Through policy interventions, technological advancements, public participation, and international collaborations, efforts are being made to address air and water pollution, solid waste management, climate change adaptation, and promote sustainable practices for a cleaner and healthier environment.

Water and Drought Management

Water and drought management in India is a complex and challenging issue. India is a vast country with a diverse climate, and water resources are unevenly distributed. In some areas, droughts are a regular occurrence, while in others, flooding is a major problem. Water scarcity and droughts are significant challenges in India, especially in regions that heavily rely on agriculture. Adaptation and resilience measures are crucial to ensure sustainable water management and mitigate the impacts of drought. The GoI is committed to addressing water and drought management. By implementing these policies and programs, India is working to ensure water security for its citizens and to build resilience to the impacts of climate change.

Biodiversity and Ecosystem Preservation

India is a diverse country with a wide variety of ecosystems and species including forests, wetlands, coastal areas and grasslands. However, India's biodiversity is under threat from a number of factors, including habitat loss, pollution, and climate change. The preservation of biodiversity and ecosystems is crucial for maintaining ecological balance, supporting livelihoods, and adapting to climate change. The focus on protected areas, wildlife conservation, forest conservation, coastal and marine ecosystem management, invasive species control, wetland conservation, ecosystem-based adaptation, and legal frameworks highlight the country's efforts to promote adaptation and resilience through the preservation of biodiversity and ecosystems. The focus on biodiversity heritage sites, INDC commitments, eco-sensitive zone notifications, urban greening, endangered species conservation, community-based conservation, wetland conservation, river restoration, and ecosystem-based adaptation projects demonstrates the country's dedication to adaptation and resilience through the preservation of biodiversity and ecosystems.

Transition Fuels

Transition fuels like CNG play a role in the decarbonization of transportation by providing a cleaner alternative to conventional fossil fuels. CNG serves as a transition fuel in the decarbonization of transportation by offering cleaner burning and lower-emission characteristics compared to conventional fuels. One advantage of CNG as a transition fuel is the availability of existing infrastructure for its production, distribution, and refuelling. Many countries already have a network of CNG refuelling stations, making it a viable option for areas where other alternative fuel infrastructures are still developing. Government initiatives like tax incentives, subsidies for CNG vehicle purchases, or regulations that encourage the use of CNG in public transportation or commercial fleets. While CNG offers certain advantages as a transition fuel, it is important to consider its limitations. It still produces emissions of greenhouse gases, such as methane. Methane is a potent greenhouse gas that is more effective at trapping heat than carbon dioxide. CNG vehicles typically have a shorter range compared to gasoline or diesel vehicles, and the refuelling infrastructure may be limited in some regions. Additionally, CNG is still a fossil fuel and does not eliminate carbon emissions entirely.

The Indian government has set a target of increasing the share of CNG in the country's energy mix to 15% by 2030. This target is part of the government's broader plan to reduce the country's reliance on fossil fuels and transition to a cleaner energy future. India has been actively expanding its CNG infrastructure to promote the use of CNG as a transition fuel. This includes building new CNG refuelling stations across tier 2 and tier 3 cities, highways, and industrial areas and expanding the existing network of CNG pipelines. The demand for CNG vehicles in India is growing rapidly. In 2022, India registered over 4.5 million CNG vehicles, a growth of over 20% from the previous year. The automotive industry in India is also investing in CNG vehicles. A number of major automakers, such as Maruti Suzuki, Hyundai, and Tata Motors, have launched CNG-powered models in recent years. The adoption of CNG in public transportation has been a key focus in India. Many state transport corporations and municipalities are transitioning their bus fleets to run on CNG. Commercial fleets, such as taxis and delivery vehicles, are increasingly adopting CNG as a fuel option. Many ride-hailing platforms and logistics companies are incentivizing CNG vehicle adoption to reduce emissions from their fleets. India is exploring the utilization of biogas as a feedstock for producing CNG. This approach reduces the carbon footprint of CNG and aligns with India's goals of promoting clean and sustainable energy sources.

Green Infrastructure

The importance of green infrastructure in India stems from its capacity to effectively tackle environmental challenges, bolster ecological resilience, and foster sustainable development. Green infrastructure initiatives have a profound impact on climate change adaptation and mitigation, biodiversity conservation, water resource management, and the overall enhancement of community well-being. By establishing robust policy frameworks, facilitating collaborations among government entities, communities, and stakeholders, and integrating green infrastructure principles into urban and rural planning, India can unlock the full potential of green infrastructure in building a more sustainable and resilient future.

Green Buildings, warehouses, data centres, cooling centres

Green Buildings: Green building is the practice of creating structures and using processes that are environmentally responsible and resource-efficient throughout a building's life-cycle from design, construction, operation, maintenance, renovation and deconstruction. It uses less water, optimizes energy efficiency, generates less waste and provides a healthier and sustainable space for occupants. Green buildings in India are meticulously designed to mitigate environmental impact and optimize the efficient utilization of resources. They integrate energy-efficient systems, sustainable materials, effective water management techniques, and renewable energy sources. The Indian government has implemented several initiatives to support the development of green buildings. Notably, schemes like the Leadership in Energy and Environmental Design (LEED) certification and the Green Rating for Integrated Habitat Assessment (GRIHA) system have been introduced. These programs serve as comprehensive frameworks that establish guidelines and standards for sustainable building design, construction, and operation. By adhering to these guidelines, developers and individuals can ensure that their buildings meet the desired environmental performance criteria. India ranked 2nd in the U.S. Green Building Council's (USGBC) list of the Top 10 Countries and Regions for LEED certification in the year 2022 behind China.

Green Warehousing: Green warehousing is concept of using sustainable practices in warehousing operations to reduce its carbon footprint. These practices include green building, automated warehouse, lean warehousing, among others.

To encourage energy efficiency, the government provides financial assistance and incentives to warehouse operators for adopting energy-efficient technologies. These technologies include efficient lighting systems, insulation, and energy management systems that help optimize energy consumption and reduce greenhouse gas emissions.

In addition to energy efficiency, the government promotes the establishment of logistics parks with green infrastructure. These parks are designed to incorporate sustainable features such as rainwater harvesting systems, renewable energy generation, and waste management facilities. By creating such infrastructure, the government aims to reduce the environmental impact of warehouse operations and encourage the adoption of sustainable practices.

Furthermore, the government emphasizes the use of eco-friendly transportation modes, such as electric vehicles and alternative fuel vehicles, for logistics activities. It also encourages the optimization of supply chain operations to minimize carbon emissions and promote efficient transportation and distribution practices.

Indian Green Building Council (IGBC), part of the Confederation of Indian Industry (CII), has also developed a pilot version – 'IGBC Green Logistics Parks and Warehouses Rating System'.

Green Data Centers: Green data centers in India prioritize the reduction of energy consumption and carbon emissions associated with data storage and processing activities. These data centers incorporate state-of-the-art cooling systems, energy-efficient server infrastructure, virtualization technologies, and the integration of renewable energy sources. By adopting these sustainable practices, green data centers effectively mitigate the environmental impact associated with data operations, while ensuring reliable and efficient functioning of digital services.

The Indian government has taken proactive measures to promote energy efficiency in the data center sector. Recognizing the significant energy consumption associated with data centers, the Ministry of Electronics and Information Technology has published the "India Data Center Energy Efficiency Guidelines." These guidelines serve as a comprehensive framework to assist data center operators in adopting energy-efficient practices.

The guidelines provide recommendations and best practices for optimizing energy consumption throughout the data center lifecycle, including aspects such as power distribution, cooling systems, server utilization, and lighting. By following these guidelines, data center operators can significantly reduce energy consumption and enhance overall energy efficiency.

Green Cooling Centers: The Ministry of Environment, Forest and Climate Change launched the India Cooling Action Plan (ICAP) in March 2019 with an aim to provide sustainable cooling and thermal comfort for all while securing environmental and socio-economic benefits for the society. This will also help in reducing both direct and indirect emissions.

ICAP seeks to (i) reduce cooling demand across sectors by 20% to 25% by 2037-38, (ii) reduce refrigerant demand by 25% to 30% by 2037-38, (iii) Reduce cooling energy requirements by 25% to 40% by 2037-38, (iv) recognize cooling and related areas as a thrust area of research under national Science & Technology Programme, (v) training and certification of 100,000 servicing sector technicians by 2022-23, synergizing with Skill India Mission. These actions will have significant climate benefits.

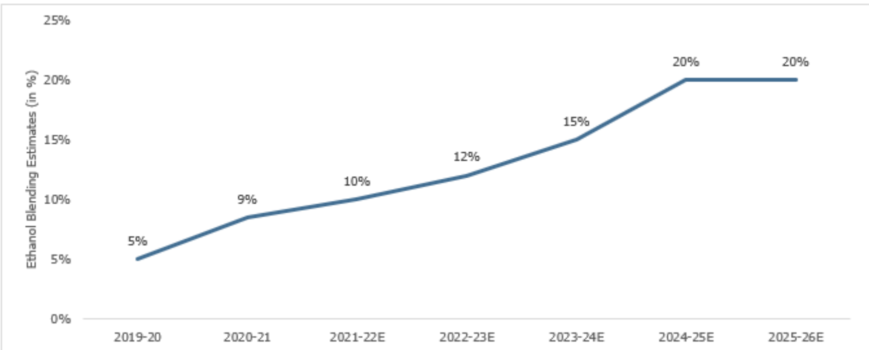
Green Transport

Green transport, comprising of intercity rail, metros, buses, and other sustainable modes of transportation, plays a crucial role in India's pursuit of sustainable development and environmental conservation. With the aim of reducing greenhouse gas emissions, minimizing air pollution, and enhancing urban mobility, the country has been actively implementing and expanding green transport systems.

Ethanol

Ethanol is a type of biofuel derived from renewable sources such as corn, sugarcane, switchgrass, and agricultural waste. This fuel is often blended with gasoline to create ethanol-gasoline blends such as E10 (10% ethanol) or E85 (85% ethanol). These blends can be used in conventional gasoline engines or flex-fuel vehicles designed to run on higher ethanol concentrations. It offers potential benefits such as reducing dependence on fossil fuels, lowering greenhouse gas emissions, and supporting agricultural economies. However, there are also some challenges that ethanol faces. Ethanol production involves land use, water consumption, and potential competition with food crops. Balancing these factors and ensuring sustainable sourcing of feedstocks is crucial. Another challenge is that ethanol is not as widely available as gasoline. This could make it difficult for vehicle owners to find ethanol stations, especially in rural areas. The energy demand in India is rising due to an expanding economy, growing population, increasing urbanization, evolving lifestyles and rising spending power. The government has advanced the target date for ethanol blended petrol from 2030 to 2025 for 20% ethanol blending to decrease the oil import burden. As per NITI Aayog, India will produce 6,660 Bn litres of ethanol/ alcohol from food grains by 2025-26, about 165 LMT of food grains would be utilized. The Ethanol Supply Year (ESY) commences from 1st December and ends on 30th November. Supply of ethanol under the EBP Programme has increased from 1,886 Bn litres in ESY 2018-19 to 4,081 Bn litres in ESY 2021-2022. Additionally, average percentage of blending has increased from 5% to 10% in the same period. The ethanol demand will be in the range of 7,220-9,210 Bn litres in 2025 to meet E20 targets. Mixing 20% ethanol in petrol can potentially reduce the auto fuel import bill by a yearly $4 billion.

Ethanol Production Projections



Source: Niti Aayog – Ethanol Blending in India

Some of the latest developments of ethanol in India are as below:

Ethanol research and development: In June 2023, the GoI announced that it will invest ₹ 40,950 million in research and development for ethanol production. The investment will be used to develop new technologies for ethanol production, such as the use of non-food crops and waste materials.

Ethanol production capacity expansion: In April 2023, the GoI announced that it will increase the blending of ethanol in petrol from 10% to 20% by 2025. This blending program is known as E20, and it is expected to help reduce India's oil imports by 1.2 billion litres per year. India is witnessing an expansion of ethanol production capacity to meet the growing demand. Sugar mills, in particular, are investing in distillery units to produce ethanol from sugarcane molasses. The government has also allowed the production of ethanol from surplus food grains, rice, maize, and other feedstocks, further enhancing the production potential.

Increased Ethanol Blending Targets: The Indian government has been actively increasing the blending targets for ethanol in gasoline. In 2021, the blending target was raised to 10% (E10) from the previous target of 5% (E5). Additionally, the government has set a roadmap to achieve a 20% (E20) ethanol blending target by 2025.

Ethanol Procurement and Pricing Reforms: The Indian government has introduced reforms in the ethanol procurement and pricing mechanism to provide better remuneration to ethanol producers. The pricing formula has been revised, linking it to the prevailing price of sugarcane juice, B-heavy molasses, and other feedstocks. This move aims to incentivize ethanol production and support the agricultural sector.

Ethanol for Cooking Fuel: In a recent development, the government has also encouraged the use of ethanol as a cooking fuel. Ethanol-blended cooking stoves have been introduced in select regions as a cleaner and more sustainable alternative to traditional cooking fuels like LPG and biomass.

Government Policies

The government has taken steps to promote the development of the EV and ethanol industries through research and development initiatives. The government has set up a number of research institutes and laboratories to focus on developing new technologies for EVs and ethanol production. The government is also providing funding to companies that are developing new EV and ethanol technologies. Here are some key government policies related to ethanol in India:

Some of the government policies are:

The Ethanol Blended Petrol (EBP) Programme: This program mandates the blending of ethanol with petrol at a minimum of 10%. The EBP mandates the blending of ethanol with gasoline to reduce carbon emissions. Currently, the blending target of the government is to achieve a 20% ethanol blending ratio (E20) by 2025.

The Interest Subvention Scheme: This scheme is for the enhancement and augmentation of the ethanol production capacity: This scheme provides financial assistance to ethanol producers to help them expand their production capacity.

Flex-Fuel Vehicles: The government has encouraged the manufacturing and adoption of flex-fuel vehicles that can run on different ethanol-gasoline blends. Incentives and concessions have been provided to promote the production and sales of such vehicles.

OVERVIEW OF NON-BANKING FINANCIAL INSTITUTIONS

Non-Banking Financial Institutions Overview

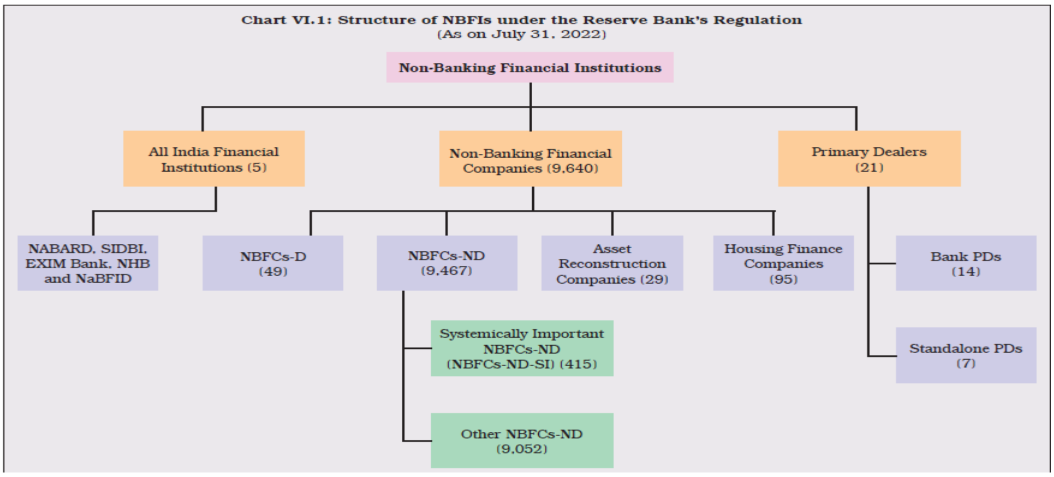
Non-banking financial institutions (NBFIs) comprise a heterogeneous group of financial intermediaries. Those under the regulatory purview of the Reserve Bank consist of:

- All-India financial institutions (AIFIs) that include the National Bank for Agriculture and Rural Development (NABARD), the Export Import (EXIM) Bank of India, the Small Industries Development Bank of India (SIDBI) and the National Housing Bank (NHB) are apex financial institutions that play an important role in meeting the long-term funding requirements of agriculture and the rural sector, foreign trade, small industries, housing finance companies (HFCs), NBFCs, Micro Finance Institutions (MFIs) and other specialised segments and institutions.
- Non-banking financial institutions (NBFIs) are government/public/private limited companies that specialise in delivering credit to a wide variety of specific segments, ranging from infrastructure to consumer durables and vehicle financing. Housing finance companies (HFCs) extend housing finance to individuals, co-operative societies, and corporate bodies and lease commercial and residential premises to support housing activity in the country.
- Primary dealers (PDs) came into existence in 1995 and act as market makers in the government securities (G-secs) market, besides ensuring subscription to primary issuances.

Non-Banking Financial Institutions (NBFIs) play an important role in the Indian financial system by complementing and competing with banks, and by bringing efficiency and diversity into financial intermediation. NBFCs have evolved considerably in terms of operations, heterogeneity, asset quality and profitability, as well as regulatory architecture.

Structure of NBFIs

Structure of NBFIs under the Reserve Bank of India's Regulations



Source: RBI
Note: Figures in bracket indicates the number of Institutions as of July 22, NBFCs-ND – Non-deposit taking Non-banking financial companies, NBFCs-D – Deposit taking Non-banking financial companies

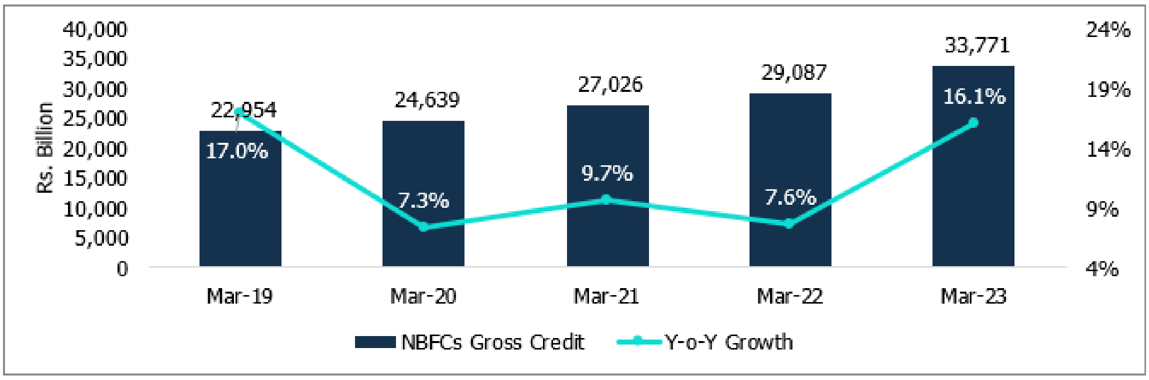
Classification of NBFCs

NBFCs can be classified on the basis of a) asset/liability structures; b) systemic importance; and c) the activities they undertake. In terms of liability structures, NBFCs are subdivided into deposit-taking NBFCs (NBFCs-D) - which accept and hold public deposits - and non-deposit taking NBFCs (NBFCs-ND) - which source their funding from markets and banks. Among non-deposit taking NBFCs, those with an asset size of ₹ 5 Billion or more are classified as non-deposit taking systemically important NBFCs (NBFCs- ND-SI). As on July 31, 2022, there were 49 NBFCs-D and 415 NBFCs-ND-SI.

Since NBFCs cater to niche areas, they are also categorised on the basis of the activities they undertake. Till February 21, 2019, NBFCs were divided into 12 categories. Thereafter, these categories were harmonised in order to provide NBFCs with greater operational flexibility. As a result, asset finance companies (AFCs), loan companies (LCs) and investment companies (ICs) were merged into a new category called Investment and Credit Companies (NBFC-ICC). At present, there are 11 categories of NBFCs as per the activity-based classification.

NBFC Credit Growth

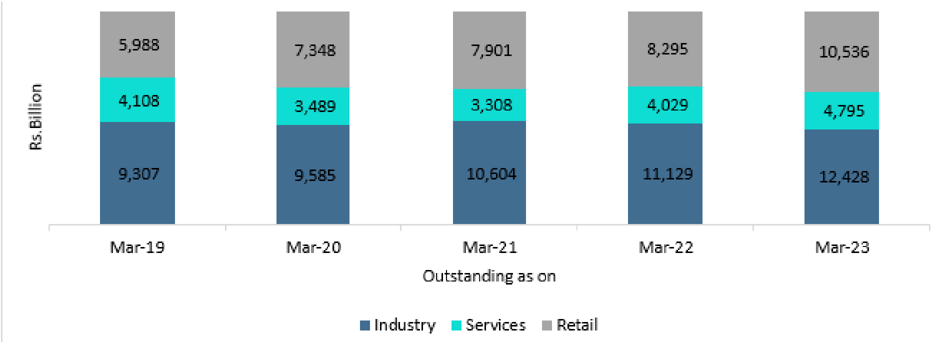
Gross Credit Deployed by NBFCs



Source: RBI, CareEdge Research
Note: Data are provisional

As of March 2023, the credit growth rate has seen an uptick of 16.1% year-on-year and reached ₹ 33,771 billion. The upward growth trajectory of NBFCs credit is indicating its importance in India's financial system. This growth is mainly driven by increase in demand for retail credit and demand for working capital loans amid rise in commodity prices.

Sectoral distribution of NBFCs' credit



Source: RBI, CareEdge Research
Note: Others includes Food credit and Other non-food credit

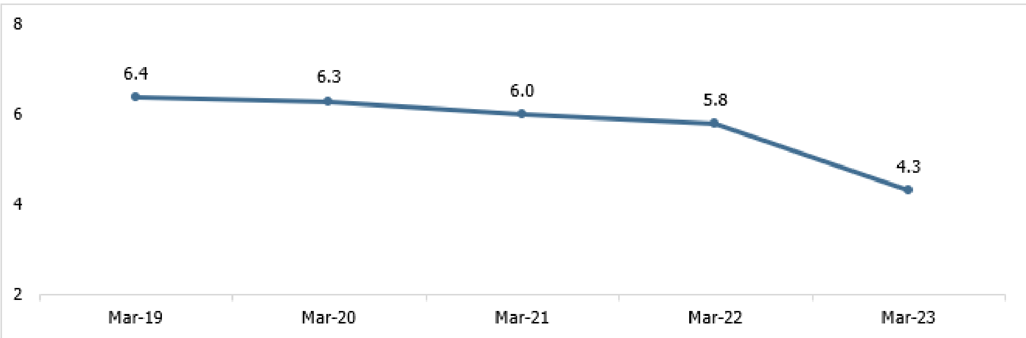
The industry sector has remained the largest recipient of credit extended by NBFCs followed by retail loans, services, other non-food credit, and agriculture & allied activities. NBFCs have increased the amount of credit deployed to industry on account of improved demand for credit mainly for working capital loans due to surge in commodity prices. As of March 2023, industry credit contributed ₹ 12,428 billion, which is around 36.8% of NBFCs' gross credit deployed, as per the RBI.

While NBFCs' credit to the industry is growing, their credit to services has declined marginally mainly due to decline in credit to the commercial real estate sector, transport operators and other services. As of Mar-23, as per data published by RBI, credit deployed to the service sector has hovered around ₹ 4,795 billion that is around 14.2% of NBFCs gross credit deployed.

Retail loans comprise housing loans, vehicle loans, loans against gold, consumer durables loans and other such personal loans. Over the last couple of years, NBFCs have shifted their focus on retail lending in order to grow their business. And with slow demand for credit from the industry and services sector, retail lending has shown tremendous growth. As retail loans have lower delinquencies when compared to MSME / corporate lending which is also a major factor for the shift. As of March 2023, the credit deployed to retail loans by NBFCs has increased to more than a third of their gross credit deployed, which stood at ₹ 33,771 billion for NBFCs.

Asset Quality

Gross Non-Performing Assets (GNPA) Ratio



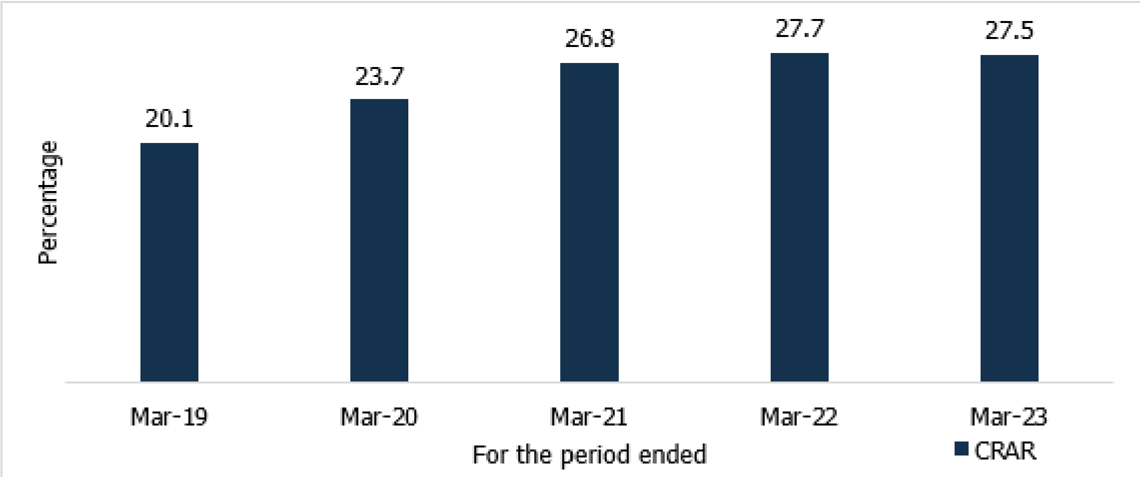
Source: RBI, CareEdge Research
Note: Data is provisional

The asset quality of NBFCs has seen continued improvement on account of strong balance sheets, an increase in provisions and improved collection efficiency. Additionally, restructuring of their loan book and non-performing assets (NPA) write-offs have also aided the improvement in the asset quality of NBFCs. As of March 2023, the GNPA of NBFCs improved to 4.3% reaching the lowest size in March 2017. The asset quality of NBFCs is likely to be impacted on the back of refined regulations pertaining to asset classification. With effect from October 1, 2022, RBI has revised asset classification norms that mandate all NBFCs, requiring them to collect the entire arrears to upgrade an NPA. Asset classification would start exactly from the overdue date, unlike the present practice of starting 90 days from the end of the month in which the account becomes overdue. Going forward asset quality is expected to remain in check owing to increased provisions, decline in fresh slippages and restructuring of the loan book.

Capital Adequacy

Over the years, NBFCs' CRARs have improved on account of increase in the level of Tier-I capital, retained earnings and moderation in NPA. NBFCs are well capitalized, with their capital to risk-weighted asset ratio (CRAR) well above the stipulated level of 15%. As per RBI data, CRAR was 27.5% as of Mar-23.

Capital Position of NBFCs

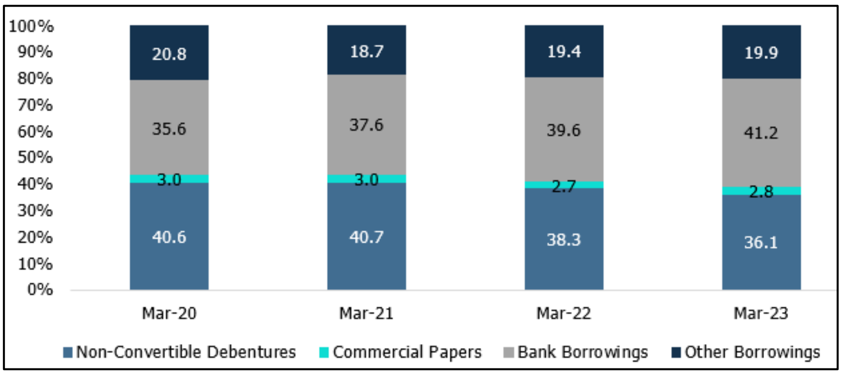


Source: Supervisory Returns, RBI
Capital to Risk- Weighted Assets Ratio (CRAR) is Tier 1+Tier 2 Capital by Risk-weighted Assets
Note: Data are provisional

Resource Profile of NBFCs

Borrowing from the markets and from banks constituted more than 75% of NBFCs total borrowings as of Mar-23. For Fiscal 2023, market borrowings continue to be the largest sources of funds for NBFCs. However, their share has declined over the years. This is mainly on account of increase in spread of NBFC bonds yields over G-sec yields of corresponding maturity on the back of strict monetary policy and rising global yield. In Fiscal 2023, total borrowings accelerated mainly due to increase in borrowings from banks.

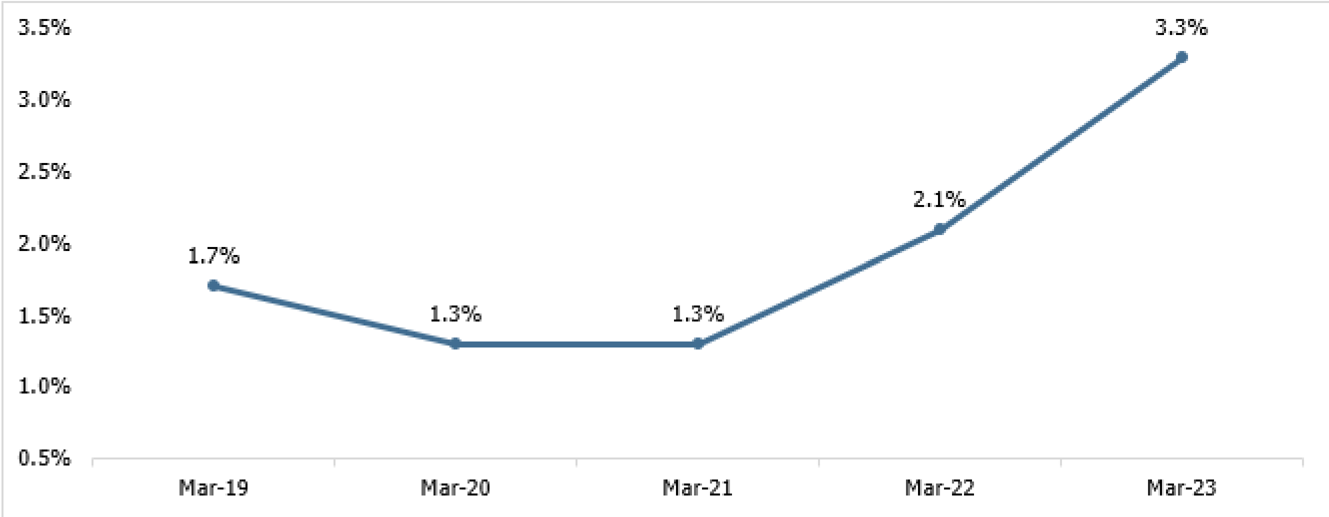
Share in NBFCs total borrowings



Source: RBI, CareEdge Research
Note: Market Borrowings include debentures and commercial papers, Other Borrowings include inter-corporate borrowings, subordinate debt and miscellaneous borrowings.

Profitability of NBFCs

Return on Assets of NBFCs



Source: RBI, CareEdge Research
Note: Data are provisional

In Fiscal 2023, NBFCs return on average assets improved compared to previous years, this growth can be attributed to increase in demand for credit, low slippages and decline in non-performing assets leading to less need for extra provisioning.

Key growth drivers and challenges

Technological adoption and Co-lending arrangements:

NBFCs deploy technological solutions to develop innovative products and lower operational costs. Since NBFCs are fairly new in the financial landscape as compared to most banks, they are more agile and better positioned to leverage technology to enhance their reach while increasing efficiency.

NBFCs also collaborate with various alternative financiers and commercial banks by using the co-lending model, which enables them to diversify their income avenues and reach their targeted customer base through different channels. This co-lending model enables lenders to pool resources and distribute their risk while providing borrowers with access to diverse funding sources. Co-lending model is beneficial to banks and NBFCs as it enables them accumulate large funds while distributing the risk associate with the funds.

Government's focus on infrastructure development

Road construction is amongst the critical sub-segments of infrastructure development, economic growth as well as for employment creation. Infrastructure has been a major focus of the Government currently.

The Union Budget for 2023-24 depicted higher focus on infrastructure. The budget plan aims for multi-modal logistics facilities and connectivity systems under the PM Gati Shakti. For infra push, financial assistance of ₹1,300 Billion interest free loans for 50 years has been allocated to states from the Centre. Through this, the Government is planning to generate employment opportunities and augurs well for the Roads sector.

In addition, ₹111 Trillion of investments have been projected in infrastructure projects for Fiscal 2020-Fiscal 2025 by the Task Force on National Infrastructure Pipeline (NIP), with ~18% of the targeted investment expected to be made in the road sector in India. Also, under the recently announced Asset Monetization Pipeline, around ₹1,600 Billion are to be monetized through roads.

These Government initiatives can create opportunity for NBFCs to lend towards sectors like power, construction and transportation. Infrastructure projects require substantial funds and NBFCs can participate in funding these projects.

Government's increasing efforts towards renewable power sector

The Government has been actively pursuing the growth of renewable power sector and has implemented several initiatives. These initiatives mainly focus on promoting renewable energy, strengthening distribution networks and contribute towards growth and sustainability of the power sector. In order to achieve the aim of these initiatives, power sector companies will require huge funds to set-up new renewable energy plants, upgrade the existing power plants, transmission and distribution networks and NBFCs have a significant opportunity to meet the funding requirements of power sector.

Strengthening real estate developments

Real Estate has the potential for catapulting India to the third largest construction market globally. The sector is expected to contribute 15% to the Indian economy by 2030. The recent policy reforms such as the Real Estate Act, GST and REITs are steps to reduce approval delays and are only going to strengthen the real estate and construction sector. NBFCs can play a key role in growth of real estate and construction sector by providing them adequate funds required.

Regulatory framework for NBFCs

PCA Framework

The RBI released a prompt corrective action (PCA) framework for NBFCs detailing strict action against non-banking finance companies in case their capital adequacy ratio falls or NPA levels cross a pre-defined threshold. The new framework, which earlier existed only for banks, will come into effect from 1 October 2022 based on the financial position of NBFCs on or after 31 March 2022. Government NBFCs have been provided time up to March 31, 2022 to adhere to the capital adequacy norms provided for NBFCs. Accordingly, a separate circular would be issued in due course with regard to applicability of PCA Framework to Government NBFCs.

The PCA Framework will be reviewed after three years of being in operation. Once an NBFC is placed under PCA, taking the NBFC out of PCA Framework and/or withdrawal of restrictions imposed under the PCA Framework will be considered basis following parameters: (i) If no breaches in risk thresholds in any of the parameters are observed as per four continuous quarterly financial statements, one of which should be Annual Audited Financial Statement (subject to assessment by RBI); and (ii) Based on Supervisory comfort of the RBI, which includes sustenance of the profitability of NBFCs. The discretionary corrective actions will be based on parameters such as strategy which would detail a recovery plan and review of the business model of the NBFC, governance related actions which would entail an engagement of RBI with the NBFC's board and recommendations and restrictions related to the same.

Prudential Framework for Resolution of Stressed Assets:

Under this framework the lenders are required to recognize incipient stress in borrower accounts, immediately on default, by classifying them as special mention accounts (SMA).

Classification of SMA categories

Loans other than revolving facilities		**Loans in the nature of revolving facilities like cash credit/overdraft**	
SMA Sub-categories	Basis for classification – Principal or interest payment or any other amount wholly or partly overdue	SMA Sub-categories	Basis for classification – Outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower
SMA-0	Up to 30 days		
SMA-1	More than 30 days and up to 60 days	SMA -1	More than 30 days and up to 60 days
SMA-2	More than 60 days and up to 90 days	SMA -2	More than 60 days and up to 90 days

Classification of NPA categories

Type of loan	**Identification (Account is treated as NPA)**
Term Loan	Interest and/ or instalment remains overdue for a period of more than 90 days.
Cash Credit & Overdraft	Account remains out of order for a period of more than 90 days An account is treated as out of order if,

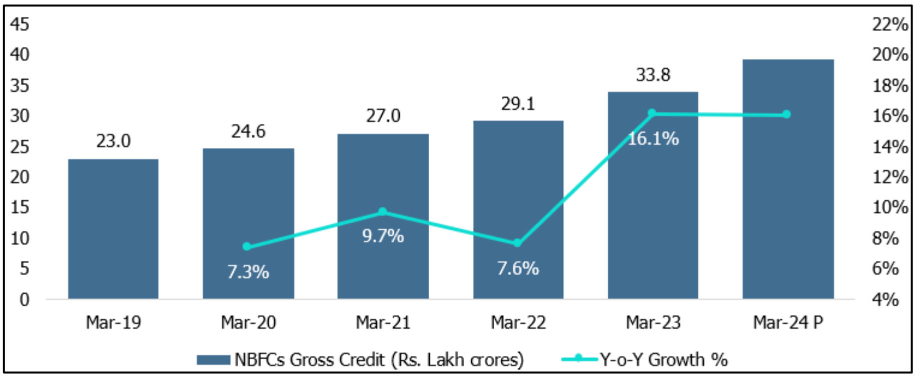
Type of loan	Identification (Account is treated as NPA)
accounts	•The outstanding balance remains continuously in excess of sanctioned/drawing power limit or •Though the outstanding balance is less than the sanctioned limit/drawing power. •There are no credits continuously for more than 90 days in the account i.e. the account is non-operative. •The credits during the aforesaid period in accounts are not sufficient to cover the interest debited during the same period.
Bill Purchased/ Discounted	Bill remains overdue for a Discounted period of more than 90 days.
Agricultural Advances	• In case of Short duration crops, the instalment of principle or interest thereon remains overdue for two crop seasons • In case of long duration crops, the instalment of principle or interest thereon remains overdue for one crop season.
Liquidity facility	Remains outstanding for more than 90 days in respect of securitization transaction.
Derivative Transactions	Overdue receivables representing positive mark to market value of a derivative contract remaining unpaid for a period of 90 days from specified due date.

An account is classified as NPA only if interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter.

Growth Outlook

CareEdge Research estimates that NBFCs have seen good growth in Fiscal 2023 in the range of 9%-13% year-on-year and Fiscal 2024 is likely to bode well for NBFCs largely supported by retail loans primarily on account of steady demand and increase in middle-class spending and continued improvement in economic growth. In Fiscal 2024, NBFCs gross credit deployed is expected to grow in the range of 11%-13% year-on-year on the back of improved asset quality and uptick in demand for credit from retail industry.

Gross Credit Deployed by NBFCs



Source: RBI, CareEdge Research
Note: Data are provisional, P - projected

Growing digitization in origination and appraisal

Digital technology streamlines origination and appraisal processes and minimizes paper work, reduces manual effort, automates recurring tasks and enables NBFCs and other organizations to handle high volume transactions effectively.

In the last decade, digital platforms have gained popularity in India due to their convenience, accessibility, and streamlined origination processes. With the help of digitization, it has become possible to quickly process a loan, enhance collections and other operational efficiencies along with ensuring customer satisfaction.

Digital tools enable collection of large amounts of data and digital platforms leverage technology, data analytics, and artificial intelligence to assess creditworthiness or eligibility of applicants and make lending decisions. These tools can gather data from multiple sources, such as financial statements, credit reports and other alternative sources such as transaction history, mobile usage patterns, and social media data, to evaluate an applicant's creditworthiness, especially for individuals who may not have extensive credit histories or formal documentation.

Digital origination platforms usually have incorporated automated underwriting systems that use algorithms to analyse the collected data and determined whether the applicant meets the predefined criteria for rejection or approval of the loan. Furthermore, client interactions throughout the origination process are managed through digital customer relationship management (CRM) systems. These system help track leads, automate communication, and provide a seamless experience for both customers and NBFCs to streamline their operation.

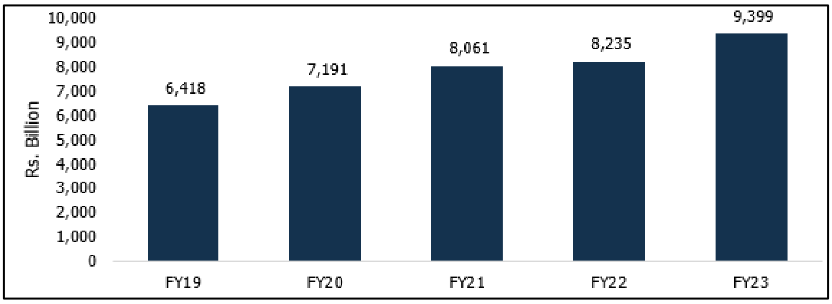
Power focused NBFCs in India

Overview

Power sector financing NBFCs primarily focus on financing of power generation, transmission, distribution and other such activities. These NBFCs provide funds for various types of power projects, including thermal power plants, transmission lines and renewable energy projects such as solar power plants, wind farms, hydroelectric projects, bioenergy energy projects and clean energy generation.

These NBFCs operate within the regulatory framework set by RBI, SEBI and National Housing Bank. NBFCs compliance with the regulation set by these regulatory bodies ensures financial stability, transparency and consumer protection. These NBFCs have a robust risk management framework to mitigate risks such as project feasibility risks, interest rate risk, market risk, regulatory risk, among others. Power financing NBFCs provide funds to meet various requirements of power projects through products including working capital loans, term loans, equipment financing, bridge loans, project financing, refinancing, mezzanine financing and structured debt financing. These NBFCs facilitate access to energy, uptick in power generation capacity and promote sustainable energy activities. Power financing NBFCs significantly contribute to the growth and development of the power sector by providing funding for adoption, expansion and improvement of overall power infrastructure.

Trend in Credit deployed by key power financing NBFCs

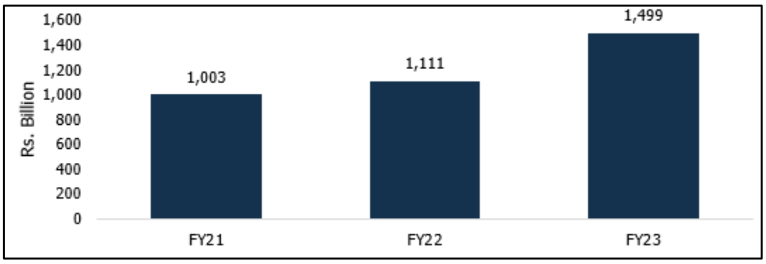


Source: CareEdge Research, Industry Reports

Note: Aggregate of outstanding credit of five key power financing NBFCs in India namely Indian Renewable Energy Development Agency Limited ("**IREDA**"), Power Finance Corporation Limited ("**PFC**"), PTC India Finance Limited ("**PFS**"), REC Limited ("**REC Limited**"), Tata Cleantech Capital Limited ("**TCCL**") and India Infradebt Limited.

Over the years, power financing NBFCs have seen significant traction supported by increase in demand for funds from power sector, and government's push towards growth of power sector. As of Fiscal 2023, the outstanding credit of key power financing NBFCs reached around ₹ 9,399 billion indicating CAGR of nearly 10% over Fiscal 2019. In Fiscal 2024, power-financing NBFCs are expected to continue this growth momentum and this growth is likely to be driven by increase in power demand, rise in population, renewable integration and sustainability goals of the country.

Trend in power financing NBFCs credit towards renewable sector



Source: CareEdge Research, Industry Reports

Note: Aggregate of outstanding credit of five key power financing NBFCs in India namely IREDA, PFC, PFS, REC, TCCL and India Infradebt Limited.

The renewable sector has been gaining significant traction over the years and power financing NBFCs have been playing a key role in funding renewable projects. In Fiscal 2023 based on the loan book of six major power financing NBFCs, their credit towards renewable sector reached nearly ₹ 1,500 billion.

Share in Credit towards power financing NBFCs

Power Financing NBFCs	Share in Credit towards Renewable sector	CAGR % (Fiscal 2021 - Fiscal 2023)
IREDA	31%	30%
PFC	32%	13%
PFS	1%	-34%
REC	19%	33%
TCCL	7%	29%
India Infradebt Limited	9%	33%
Aggregate	100%	22%

Source: CareEdge Research, Industry Reports

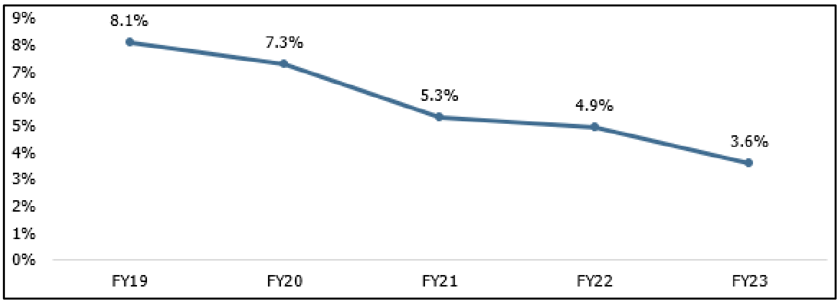
Note: Aggregate of outstanding credit of five key power financing NBFCs in India namely IREDA, PFC, PFS, REC, TCCL and India Infradebt Limited.

Note: CAGR indicates growth in power financing NBFCs credit towards renewable sector, renewable sector includes large hydro.

Among these power financing NBFCs, PFC followed by IREDA have the largest share in credit towards renewable sector with more than 30% of their loan books contributing to renewable sector. While PFC is also present in other sectors such as infrastructure, roads, mining and others, IREDA on the other hand is completely focused towards renewable sector. In the coming years, power financing NBFCs are expected to increase their focus towards renewable sector.

Asset Quality of Power Financing NBFCs

Gross non-performing assets of key power financing NBFCs

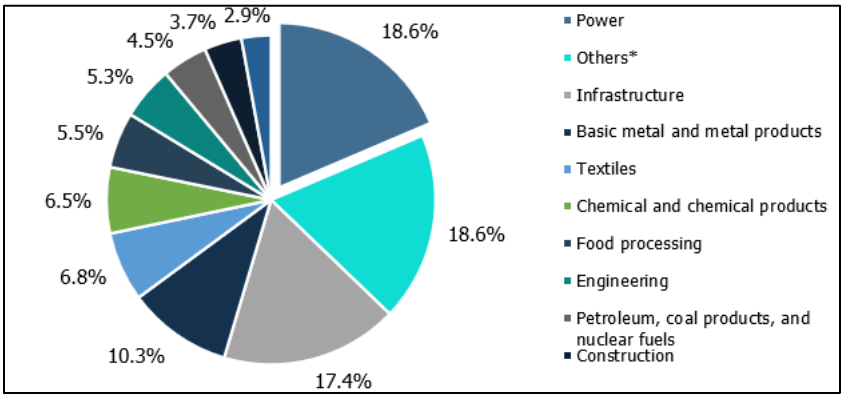


Source: CareEdge Research, Industry Reports

Note: Aggregate of GNPA of five key power financing NBFCs in India namely IREDA, PFC, PFS, REC, TCCL, India Infradebt.

In the last five years there has been significant improvement in the asset quality of power financing NBFCs. The GNPAs declined from 8.1% in Fiscal 2019 to 3.6% in Fiscal 2023. This decline in GNPA is largely supported by restructuring of stressed assets, write-offs, decline in slippages and increased provisioning.

Trend in Bank's Credit towards Industry Sector



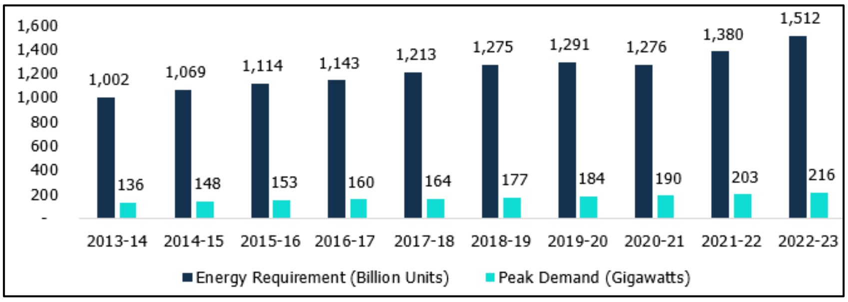
Source: RBI, CareEdge Research

Note: Data are provisional, * indicates credit towards Rubber, plastic and their products, Gems and jewellery, Mining and quarrying (including coal), Cement and cement products, Paper and paper products, Beverages and tobacco, Wood and wood products, Leather and leather products, Glass and glassware.

Power sector has continued to form major chunk of bank's credit towards industry sector. In Fiscal 2023, 18.6% of bank's credit towards industry sector was towards the power segment that amounted to ₹ 6,204.25 billion. The growth of credit towards power segment is largely supported by rise in demand for electricity and Government push towards the growth of power sector.

Growth Drivers

Power Supply Position



Source: Ministry of Power, CareEdge Research

Over the last decade, there has been significant rise in power demand on the back of growing population, rapid urbanization and ramp-up in economic activity. In Fiscal 2023, country's energy requirement increased to 1,511,847 million units in Fiscal 2023, indicating 4.7% CAGR over Fiscal 2014. NBFCs can play a crucial role in providing funding for development of new power generation projects and expansion of transmission and distribution infrastructure to meet this uptick in power demand.

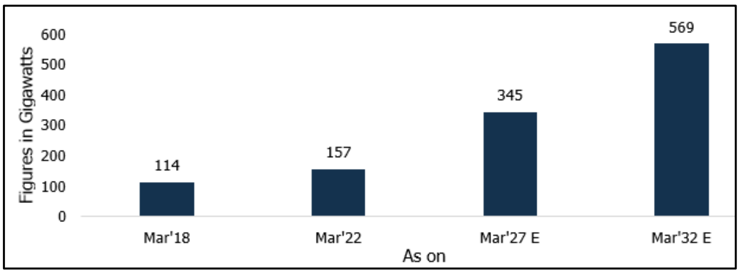
Enhancement and Development of Infrastructure

The power sector requires continuous development of existing and new power generation, transmission and distribution infrastructures to enhance the efficiency, reliability and capacity of power plants. This upgradation requires a substantial investment, this is where power financing have opportunity to fund these infrastructure projects including the refurbishment or construction of power plants, transmission lines and distribution networks and technology and equipment upgrades.

Expansion of Renewable Energy

In 26th Conference of Parties, or COP26 on climate change, India announced its target to increase its non-fossil energy to 500 GW by 2030. In addition, India announced that it would meet 50% of its energy requirements by 2030 from renewable energy. India is committed towards achieving these targets and increase the contribution of renewable energy in the power generation mix to meet the rapidly growing demand for electricity. CareEdge Research believes that financing requirement for renewable energy sectors such as solar and wind are set to expand prominently in line with the GoI's target of 500 GW installed non-fossil fuel-based power capacity by 2030.

Renewable Energy Installed Capacity



Source: CEA, CareEdge Research
Note: Data includes renewable energy sources and hydro

With support of government policies, the declining cost of many RE technologies, an increase of energy demand and with more focus on sustainable development there is continuous increase in capacity of RE sources. In the coming years, renewable energy will play an important role in optimal energy mix of the country. Power financing NBFCs have a great opportunity to provide capital required for development of solar, wind, hydro and other RE projects.

Government Initiatives

The Government has been actively pursuing the growth of power sector and has implemented several initiatives such as the "Power for All" initiative, Ujwal DISCOM Assurance Yojana (UDAY), Atal Distribution System Improvement Yojana (ADITYA) and more. These initiatives focus on improving access to energy, promote renewable energy, strengthen distribution networks and contribute towards growth and sustainability of the power sector. The GoI's push towards the growth of power sector has created conducive environment for power financing NBFCs by providing policy support, regulatory framework and incentives for investments in the power sector.

Rural Electricity Infrastructure

The Government has put significant efforts towards rural electrification with initiatives such as Pradhan Mantri Sahaj Bijili Har Ghar Yojana (Saubhagya) which aims to achieve universal electrification in remote and rural households; Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) is another initiative that is focused on strengthening and augmenting rural electricity infrastructure. These initiatives have created new opportunities for power financing NBFCs to provide funding required for rural electrification projects, that can enhance electricity reach in the remote and rural regions of the country.

Rise in power demand to boost growth of power financing NBFCs

GDP and energy intensity: India is likely to emerge as one of the world's fastest-growing economies as per IMF. This growth is likely to boost economic activity and infrastructure development (including the power sector). As the GDP grows there will be an increase in power consumption as industry and households use more electricity. This rise in demand for electricity will require the expansion of power generation, transmission and distribution infrastructure. This creates a significant opportunity for power financing NBFCs that can facilitate funding power projects to meet the growing energy requirement.

Urbanization: Urbanization of India's population is growing on a larger population base. The urban population in India is estimated to have reached around 498 million (35.4% of total population) in 2021. Over the last decade, rapid urbanisation along with growing population, ramp-up in economic activity has been a major driver of surge in power demand. NBFCs can play a crucial role in providing funding for development of new power generation projects and expansion of transmission and distribution infrastructure to meet this uptick in power demand.

Demand for Round-The-Clock power: Recently, there has been significant demand for round-the-clock power leading to an increased focus towards renewable energy sources (such as solar and wind) that can provide continuous power supply. Round-the-clock power requires capacity expansion of existing power plants, technology upgrades and effective energy storage solutions to balance the intermittent nature of renewable energy sources and to handle peak load demands. Power-financing NBFCs can provide funding for expansion and upgradation of power plants, they can also provide funding for energy storage projects such as battery, thermal or mechanical systems, among others.

Rural electrification: The power for all initiative of the GoI aims to provide power supply to all households/homes, industrial, commercial and agricultural consumers. The initiative and rural electrification is among the key drivers of the growing power demand. This rise in power demand necessitates expansion of existing power capacity. Power financing NBFCs can provide financing significant investment required for expansion and construction of power plants, transmission lines and distribution channels,

Railway electrification: The Government plans to fully electrify the railway network by 2024. To support the electrified railway network, close to 30 billion units of electricity shall be required on an annual basis by 2024. As railway electrification requires developed power infrastructure for supplying electricity to the electrified rail network, significant investments in the installation of electric traction systems, substations and other infrastructure. Power financing NBFCs can support the growth of railway networks by providing energy-efficient technologies, funding solar power plants, wind farms, among others.

Strong renewable energy capacity additions: Power generation in India is dominated by coal-based generation. The use of other resources, such as renewable energy, is experiencing a staggering growth due to significant additions in the installed capacity. However, renewable energy projects require large capital investments for construction, installation and commissioning of solar power plants, wind farms and hydro projects. Power financing NBFCs have great opportunity to provide required funding for these projects.

Cross-border power trading in South Asian countries: Cross-border power trading requires the development of transmission infrastructure, including interconnectors, transmission lines and substations This will require significant investments in power generation, transmission and distribution and power financing NBFCs have the opportunity to provide project financing, equipment financing and working capital loans to developers.

Make in India push: The Atmanirbhar- Make in India movement significantly focuses on energy independence. India aims to reduce its dependence on imports for oil and coal and become self-sufficient in meeting the county's growing energy needs. Power finance NBFCs can provide financial assistant as energy independency requires significant capital in generating electricity from solar, wind and hydro which will support reducing dependency on coal-based power generation.

Electricity Mobility Infra: India's EV segment has been on an increasing trend. EV sales have witnessed massive growth on account of favourable government policies for EVs supporting reduction in upfront cost and expansion of charging infrastructure, rising fuel prices and shifting consumer preferences. Power financing NBFCs have a great opportunity to provide funds required to meet these increasing energy requirements of the automobile sector.

Challenges

Power sector NBFCs face many challenges that can hamper their operations and growth prospects. Few such challenges are mentioned below:

Stringent Regulatory Framework: As power sector is highly regulated, power financing NBFCs can be significantly impacted by risks arising from change in regulations, policies and Government initiatives. Shifts in policies related to tariff such as new tariff structures or revise in existing tariffs; introduction of renewable energy incentives and obligations and regulatory clearances may create uncertainty and affect the financial viability of the project and the repayment capacity of the borrower.

Apart from this, NBFCs as an entity are also subjected to regulatory requirements and compliances, that requires significant administrative and operational efforts. This can pose a challenge for NBFCs with small asset size and limited resources.

Lack of competitive cost of borrowing: Similar to other NBFCs, power financing NBFCs rely on various external sources of funding, such as banks, financial institution bonds and commercial borrowings. These NBFCs may face difficulty in raising funds at competitive rates thereby limiting their capacity to meet the funding requirements of capital-intensive power projects.

Resource profile of NBFCs – high reliance on wholesale borrowings

Borrowing from the markets and from banks constituted more than 75% of NBFCs total borrowings as of March 2023. For Fiscal 2023, market borrowings continued to be the largest sources of funds for NBFCs. However, the share has declined over the years, mainly on account of increase in spread of NBFC bonds yields over G-sec yields of corresponding maturity on the back of strict monetary policy and rising global yield. In Fiscal 2023, total borrowings accelerated mainly due to increase in borrowings from banks.

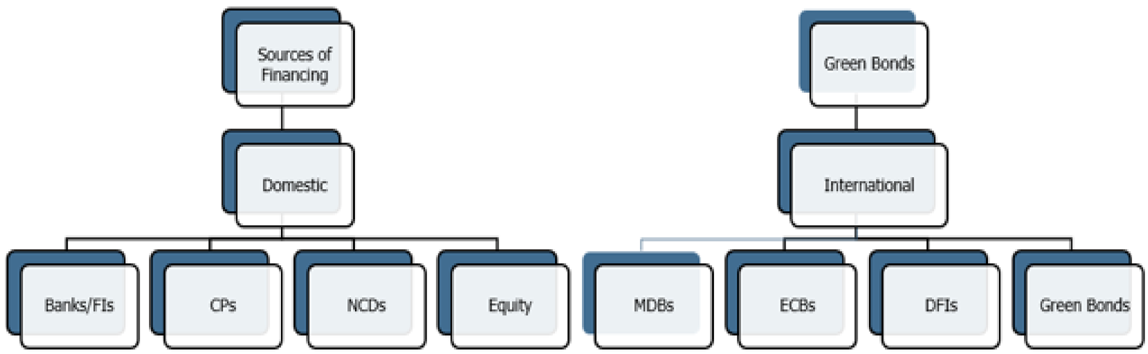
Asset-Quality: The asset quality of power financing NBFCs is mainly impacted by delayed project implementation, fuel supply and off-take risks, financial health of DISCOM and other industry specific challenges. When power projects experience delays, time and costs overruns or cash flow mismatches, it becomes difficult for borrowers to meet their obligations.

Furthermore, fuel availability issues and off-take risks can also impact the viability of the project, thereby impacting the repayment capacity of the borrower. Additional changes in the regulatory and policies create uncertainty affecting the revenue projections and loan repayment capability. The financial health of DISCOMS and economic downturn can further increase these challenges.

Interest rate volatility: Power financing NBFCs are exposed to interest rate risks due to their long-term lending activities to fund power projects. Interest rates can impact the profitability and cost of funds for NBFC's. Additionally, change in interest rate can also impact the asset-liability management of power financing NBFCs as they tend to provide long-term power project loans with short-term funding sources. This leads to asset-liability mismatch, which exposes NBFCs to the risk of refinancing their short-term obligations at a higher interest rate in case there is interest rate volatility in the market. This exposes them to potential liquidity constraints and may hamper their ability to extend credit and make repayment.

Financing Sources for Power financing NBFCs

Major Sources of Financing for Power financing NBFCs



Source: CareEdge Research

Banks and Financial Institutions ("FIs"): One of the major sources of financing for NBFCs is borrowings from banks and FIs. Banks and FIs offer variety of loans such as working capital loans, term loans and other debt instruments to NBFCs. NBFCs are require to maintain a good relationship with the banks and financial institutions to get funding at competitive interest rates which are influenced by credit ratings. Lower average cost of funds enables competitive pricing by players enabling business growth, attract quality borrowers and optimise profitability.

In March 2023, banks' outstanding credit to non-banking financial companies (NBFCs) reached ₹ 13,310.97 billion, indicating 30.2% year-on-year growth. The growth in bank borrowings is supported by differentials between market yields and interest rates offered by banks and lower borrowings in the overseas market and growth in asset book of NBFCs.

Green Bonds: Green Bonds are debt instruments issues specifically to raise funds for climate-suitable and environmentally sustainable projects. NBFCs can issue green bonds, the proceeds of which will exclusively be allocated to finance or refinance green projects such as renewable energy installations, energy efficient initiatives, development of sustainable infrastructure, waste management and other environmentally friendly activities. These bonds attract environmentally conscious investors who prioritize environmental, social and governance considerations and seek to support green initiatives while generating financial returns.

Banks like State Bank of India, Yes Bank, power financing NBFCs including IREDA, REC, PFC and companies like Greenko, Adani Green Energy have entered the green bond market. These companies have raised more than

USD 21 billion in green bond market as of February 2023. However, India is yet to fully explore its potential in the green bond market and Indian government's significant efforts towards making India more green, sustainable and self-sufficient is an indicator that in the coming years India's green bond market is expected to see traction.

Commercial paper: Commercial paper is a short-term debt instrument, cost effective and flexible source of funds that NBFCs can utilize to meet their short-term financing needs such as working capital requirements. Commercial papers are unsecured promissory notes issued by highly rated NBFCs with fixed maturity that can ranging from a few days up to a year.

Non-Convertible Debentures: NCDs are fixed income instruments with a specific coupon rate and majority date. NBFCs can you issue NCDs to raise long term capital from the bond market by attracting institutional and retail investors looking for fixed income opportunities. Green bonds can also be issued as NCDs, specifically targeting funds for financing environmentally sustainable projects and climate suitable projects.

Equity: Among other sources of financing NBFCs can raise funds through equity. This can be done through initial public offerings, qualified institutional payments, rights issues and private equity investments. Equity financing provides significant capital funds that can help NBFCs in improving their financial strength over time. In recent years, there has been significant increase in NBFCs raising funds through equity, this is majorly to support the growing demand for credit from borrowers and to expand their existing business.

Multilateral Development Banks ("MDBs"): MDBs are financial institutions that provide financial support to developing countries in the form of loans and grants, with the aim to promote economic development and reduce poverty. MDBs provide financial support for various purposes such as project financing, working capital financing, debt restructuring, among others. MDBs can aid NBFCs by financing projects that promote economic development and reduce poverty and can also help NBFCs improve their operations and risk management.

External Commercial Borrowings ("ECBs"): ECBs are foreign currency loans borrowed from non-resident lenders, international banks and financial institutions. The external commercial borrowing framework is regulated by the Reserve Bank of India that specifies eligibility criteria, borrowing limits and permitted end users. NBFCs can issue green bonds in the form of ECBs, when they are targeting international investors.

Development Financial Institutions ("DFIs"): DFIs are specialized financial institutions that provide long-term financing and support for infrastructural and industrial development. DFIs mainly focus on project finance, term loans, and equity capital to support infrastructure projects including power plants. DFIs also offer technical assistance, advisory services and help in building capacity to facilitate project development, effective project implementation and sustained growth of infrastructure sector in India. DFIs are backed by Government support or public sector ownership and usually have a development mandate. They often have expertise in assessing project viability, risk management and structuring financial solutions. The Indian Government has recently established National Bank for Financing Infrastructure and Development a development financial institution that aims to provide long-term debt and equity financing for infrastructure projects and attract private sector investments. Power financing NBFCs can collaborate with DFIs to access long-term funds, seek expert sector guidance and leverage policy support for financing power projects. Indian Renewable Energy Development Agency (IREDA) is among the first financial institution to raise global funds for climate financing from DFIs / Multilaterals in India. Funds can be also raised through private equity and venture funding. With GoI's significant push towards the growth of power sector and increase in demand for renewable sources of generation, there has been increased focus of investors towards renewable energy sector thereby resulting in increased traction of private investments.

BUSINESS PROFILING

IREDA

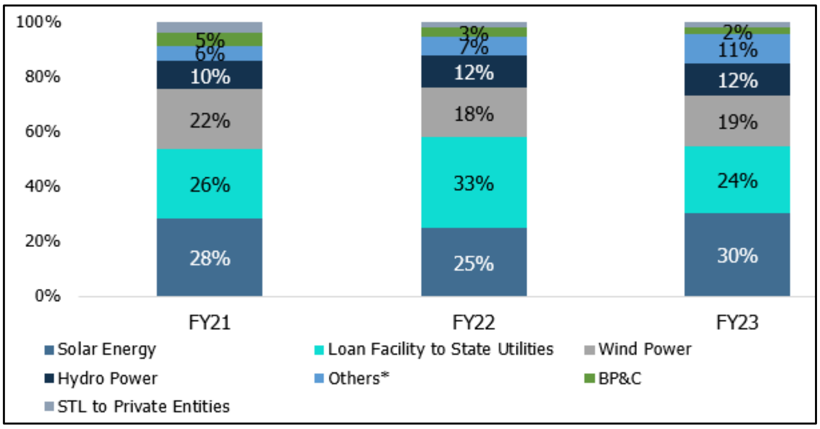
IREDA is a NBFC established in 1987, with an objective to provide innovative financing in RE and energy efficiency/ conservation and environmental technologies. IREDA provides a comprehensive range of financial products and related services from project conceptualization to the post-commissioning stage in RE projects and equipment manufacturing. It provides financial assistance through both fund-based and non-fund-based facilities including project finance, short-terms loans, debt refinancing, performance guarantee and letters of comfort. The company mainly finances projects in the wind, hydro, solar, bio-energy sectors as well as emerging areas, such as battery-powered vehicle sectors. IREDA is the largest pure-play green financing NBFC in India. As per RBI, "green finance" means lending to and/or investing in the activities/projects that contributes to climate risk mitigation, climate adaptation and resilience, and other climate-related or environmental objectives - including biodiversity management and nature-based solutions. IREDA is the issuer of first debt security (green masala bond) in India listed on IFSC exchange. IREDA is the first financial institution in India to raise green masala bonds. IREDA is among the first financial institution to raise global funds for climate financing from DFIs / multilaterals in India. IREDA is a nodal agency for MNRE schemes such as Central Public Sector Undertaking Scheme, Phase-II (Government Producer Scheme); National Bioenergy Program; National Programme on High-Efficiency Solar PV Modules under PLI scheme, Tranche-I; and Generation-Based Incentive (GBI) Scheme. As on March 2023, the loan assets of IREDA had reached ₹ 470.7 billion.

Key financial performance summary of IREDA

Particular	IREDA			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First half of Fiscal 2024
Loan Book size or AUM (Rs. Mn)	2,78,539	3,39,306	4,70,755	NA
Revenue from operations (Rs. Mn)	26,548	28,599	34,820	23,198
Profit after tax (Rs.Mn.)	3,464	6,335	8,646	5,793
Net Interest Income (Rs. Mn)	9,922	11,280	13,237	6,987
Total Debt (Rs.Mn.)	2,40,000	2,76,131	4,01,653	398,502
Net Worth (Rs.Mn.)	29,956	52,681	59,352	65,806
Return on assets (%)	1.20%	1.89%	1.98%	1.14%
Return on equity (%)	12.56%	15.33%	15.44%	9.26%
Net Interest Margin (%)	3.93%	3.75%	3.32%	NA
CRAR (%)	17.12%	21.22%	18.82%	20.92%
Gross NPA (%)	8.77%	5.21%	3.21%	3.13%
Net NPA (%)	5.61%	3.12%	1.66%	1.65%
Provision coverage ratio (%)	38.14%	41.45%	49.25%	48.11%
Basic EPS (Rs)	4.41	8.03	3.78	2.54
Diluted EPS (Rs)	4.41	8.03	3.78	2.54

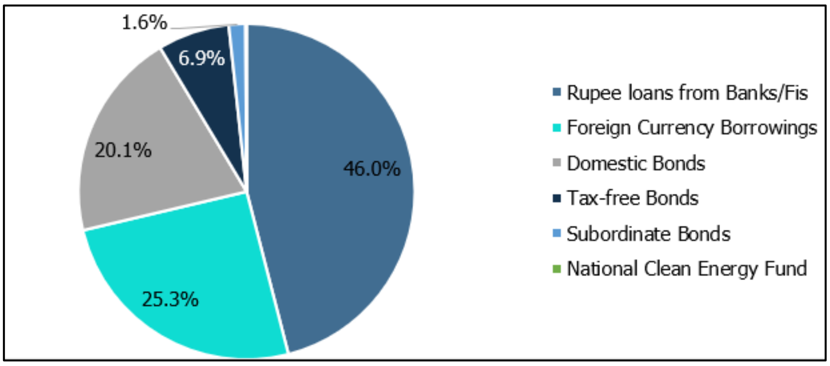
Source: Company reports, CareEdge Research
Note: Net interest income for the first half of Fiscal 2024 does not include other interest income.

Asset Mix of IREDA



Source: Company reports, CareEdge Research
Note: BP&C-Biomass Power and Co-generation, STL-Short term loan, Others include Hybrid Wind and Solar, Ethanol, Manufacturing, Waste-to-energy, EV, Guaranteed Emergency Credit Line, Transmission, EEC, Biomass (Briquetting, Gasification and Methanation from Industrial Effluents), National Clean Energy Fund, Bridge Loan.

Resource Profile of IREDA as on March 2023



Source: Company reports, CareEdge Research

PFC

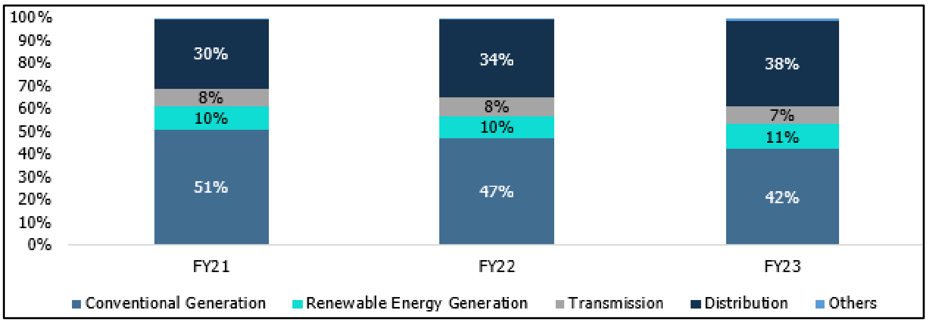
PFC is the largest NBFC with net worth of around ₹ 890 billion as on June 2023. The company's main business is to provide financial assistance to the power sector and offers a diverse range of products and services to different segments of the sector including generation (conventional and renewable), transmission and distribution projects as well as for related renovation and modernization projects. PFC provides financial support through various fund-based products and non-fund-based products. Fund based products includes long-term project finance, short-term loans, lease financing for purchase of equipment and wind power projects, corporate loan, buyer's line of credit, underwriting of debt and debt refinancing schemes whereas non-fund-based products includes deferred payment guarantee, credit enhancement guarantees and letters of comfort. The company also provides various fee-based technical advisory and consultancy services for power sector projects through its wholly-owned subsidiary.

Key financial performance summary of PFC

Particular	PFC			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First quarter of Fiscal 2024
Loan book size or AUM (Rs.Mn.)	74,51,891	75,84,964	85,75,000	92,37,236
Revenue from operations (Rs. Mn)	7,16,561	7,62,617	7,75,683	4,33,835
Profit after tax (Rs.Mn.)	1,57,162	1,87,682	2,11,786	1,26,103
Net Interest Income (Rs. Mn)	2,59,957	2,84,737	2,63,899	1,51,613
Total Debt (Rs.Mn.)	65,96,822	66,04,762	75,11,575	81,40,647
Net Worth (Rs.Mn.)	8,17,903	9,62,752	11,19,813	12,37,030
Return on assets (%)	2.14%	2.40%	2.51%	1.35%
Return on equity (%)	23.96%	21.08%	20.34%	10.70%
Net Interest Margin (%)	3.68%	3.79%	3.27%	1.17%
CRAR (%)	18.83%	23.48%	24.37%	24.86%
Gross NPA (%)	5.29%	5.02%	3.66%	3.40%
Net NPA (%)	1.97%	1.66%	1.06%	NA
Provision coverage ratio (%)	63.97%	68.05%	71.73%	71.18%
Basic EPS (Rs)	44.50	53.08	60.19	28.51
Diluted EPS (Rs)	44.50	53.08	60.19	28.51

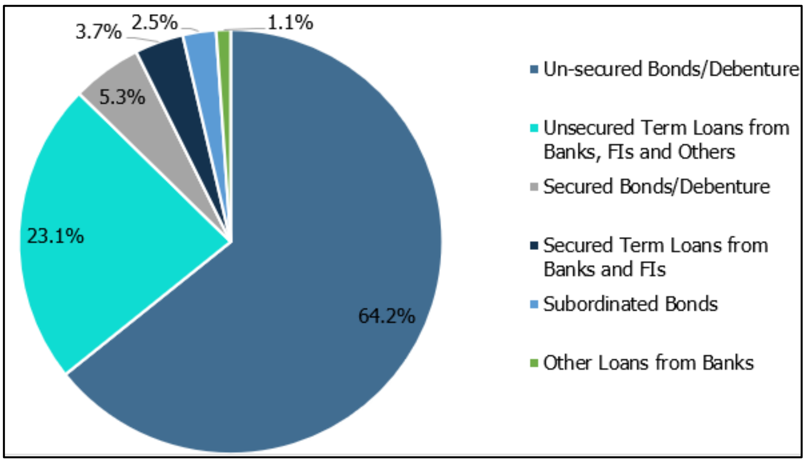
Note: Only 11% of PFCs loan book is into renewables as on March 2023; Source: Company reports, CareEdge Research

Asset Mix of PFC



Source: Company reports, CareEdge Research

Resource Profile of PFC Ltd as on March 2023



Source: Company reports, CareEdge Research

REC Limited

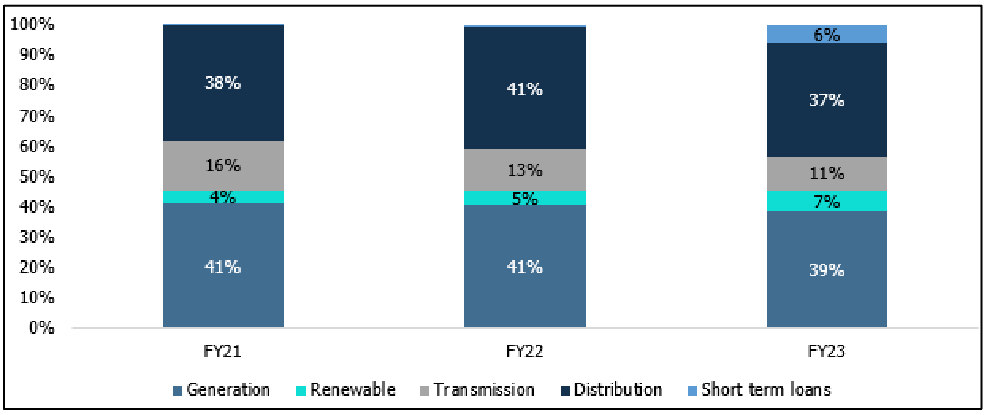
REC Limited is one of the leading NBFC categorized as Infrastructure Finance Company ("**IFC**") by the RBI, servicing the financing needs of entire power sector value chain. The company offers a wide range of products across the value-chain and the principal products of REC Limited are interest-bearing loans to State utilities, private-sector borrowers among others. The main products of the Company include long-term loans, medium-term loans, short-term loans among others. Other sources of funding include debt financing and equity financing. The company operates in various segments in power generation (both conventional and renewable energy), transmission, distribution, rural electrification, e-mobility, financing equipment manufacturing for power sector and activities having forward/ backward linkage with power projects. The number of disbursements made during Fiscal 2023 amounted to ₹ 968.4 billion.

Key financial performance summary of REC Limited – Consolidated

Particular	REC			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First half of Fiscal 2024
Loan book size or AUM (Rs.Mn.)	37,74,180	38,53,710	43,50,120	47,42,749
Revenue from operations (Rs. Mn)	3,55,528	3,92,691	3,94,783	2,27,758
Profit after tax (Rs.Mn.)	83,781	1,00,357	1,11,669	67,580
Net Interest Income (Rs. Mn)	1,28,742	1,53,445	1,39,990	75,623
Total Debt (Rs.Mn.)	32,97,234	33,30,427	38,07,898	41,95,167
Net Worth (Rs.Mn.)	4,37,639	5,13,141	5,81,205	6,35,825
Return on assets (%)	2.24%	2.47%	2.55%	1.38%
Return on equity (%)	21.17%	21.11%	20.41%	11.11%
Net Interest Margin (%)	3.68%	4.02%	3.41%	1.66%
CRAR (%)	19.72%	23.61%	25.78%	28.53%
Gross NPA (%)	4.84%	4.45%	3.42%	3.14%
Net NPA (%)	1.78%	1.51%	1.04%	NA
Provision coverage ratio (%)	64.59%	67.40%	70.64%	69.37%
Basic EPS (Rs)	42.42	50.82	42.28	25.66
Diluted EPS (Rs)	42.42	50.82	42.28	25.66

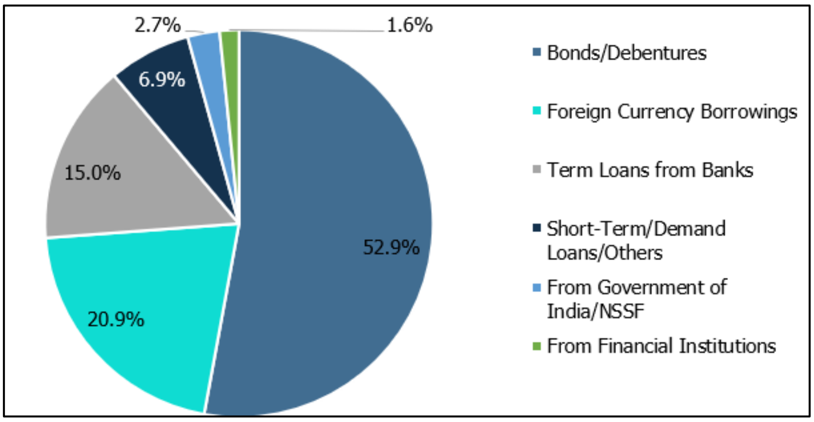
Note: Only 7% of RECs loan book is into renewables as on March 2023; Source: Company reports, CareEdge Research

Asset Mix of REC Limited



Source: Company reports, CareEdge Research

Resource Profile of REC Limited as on March 2023



Source: Company reports, CareEdge Research

India Infradebt Limited

India Infradebt Limited (Infradebt) is an Infrastructure Debt Fund (IDF) set up under NBFC format. It was set up in 2012 by ICICI Bank, Bank of Baroda, Citicorp Finance, India Ltd and Life Insurance Corporation of India. The objective of the company is to create an alternative class of funding infrastructure by bringing in long term domestic and offshore institutional investors such as insurance companies, provident and pension funds, banks amongst others. India Infradebt primarily invests in operational infrastructure projects such as power, roads and highways, transport, logistics, water and sanitation and more. Major chunk of India Infradebt's portfolio comprises of road projects awarded by the National Highways Authority of India and renewable energy projects (wind, solar and hydro). As on March 2023, India Infradebt's loan book reached ₹ 174.8 billion.

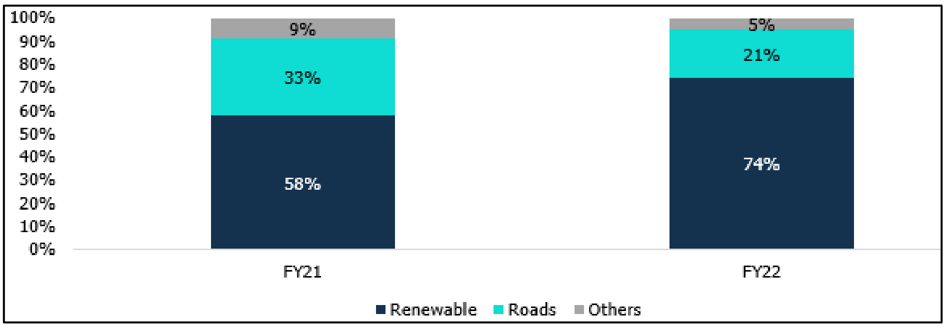
Key financial performance summary of India Infradebt Ltd

Particular	India Infradebt Limited			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First half of Fiscal 2024
Loan book size or AUM (Rs.Mn.)	1,26,751	1,45,223	1,74,864	NA
Revenue from operations (Rs. Mn)	13,012	14,434	15,932	9,712
Profit after tax (Rs.Mn.)	2,764	3,062	3,505	1,924
Net Interest Income (Rs. Mn)	3,064	3,407	3,749	2,429
Total Debt (Rs.Mn.)	1,23,960	1,42,716	1,62,990	1,81,565
Net Worth (Rs.Mn.)	20,992	23,856	27,173	28,877
Return on assets (%)	1.90%	1.84%	1.84%	0.96%
Return on equity (%)	14.02%	13.65%	13.74%	6.87%
Net Interest Margin (%)	2.54%	2.51%	2.34%	NA
CRAR (%)	22.34%	23.15%	21.79%	19.01%
Gross NPA (%)	0.00%	0.81%	0.74%	0%
Net NPA (%)	0.00%	0.57%	0.33%	0%

Particular	India Infradebt Limited			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First half of Fiscal 2024
Provision coverage ratio (%)	25.02%	30.02%	49.49%	NA
Basic EPS (Rs)	3.19	3.53	4.04	2.22
Diluted EPS (Rs)	3.19	3.53	4.04	2.22

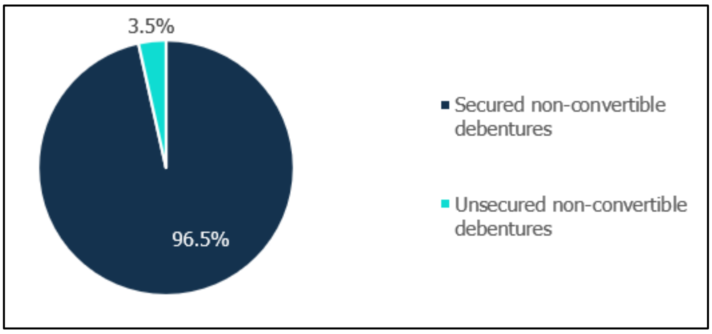
Note: Almost 75% of India Infradebt Ltd in into renewables as on March 2023; Source: Company reports, CareEdge Research

Asset Mix of India Infradebt Limited



Source: Company reports, CareEdge Research; Note: For Fiscal 2021- others include telecommunications, oil storage, education, transmission and hospitals projects. For Fiscal 2022 others include airports, telecommunication, warehousing and transmission.

Resource Profile of India Infradebt Ltd as on March 2023



Source: Company reports, CareEdge Research

TCCL

TCCL, a joint venture between Tata Capital Limited and International Finance Corporation, Washington DC, United States, is a Systemically Important Non-Deposit Accepting Non-Banking Financial Company that offers end to end business solutions in the clean technology and infrastructure space. TCCL services can be categorized into 4 types: (i) Project and structured finance: Underwriting, re-financing and take out finance; (ii) Debt syndication: Term Loan, Working Capital and Structured Finance; (iii) Financial advisory: Financial solutions and advisory services including equity fund raise, M&A, strategic partnership and bid advisory; and (iv) Cleantech advisory: Services on green infrastructure, resource efficiency and strategy development on sustainability. TCCL operates in various sectors such as utility scale solar, wind, distributed solar, power transmission, water treatment, small hydro, bioenergy, energy efficiency and e-mobility. As on March 2023, the loan portfolio of the company reached ₹ 104.6 billion. The loan portfolio of the company consists of projects in the wind energy, solar energy, rooftop solar, and other cleantech sectors, accounting for 80% of the funded asset book. The balance of the portfolio is made up of projects in the transmission, road, and other infrastructure sectors. Operational projects account for 62% of the funded asset book.

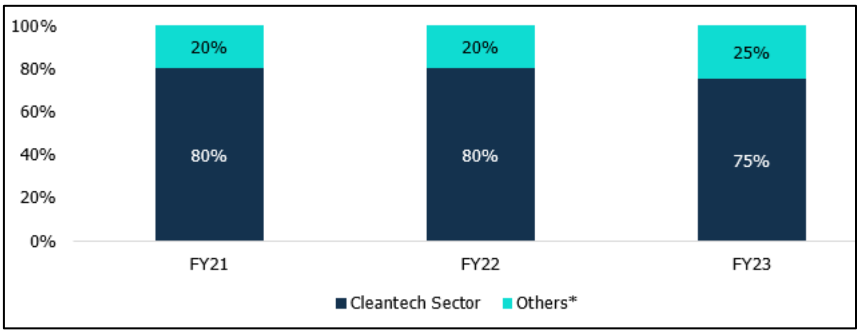
Key financial performance summary of TCCL

Particular	Tata Cleantech Capital Ltd (TCCL)			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First half of Fiscal 2024
Loan book size or AUM (₹Mn.)	62,810	78,400	1,04,640	NA
Revenue from operations (₹ Mn)	6,682	7,041	10,247	6,366
Profit after tax (₹Mn.)	1,677	2,038	2,785	1,862
Net Interest Income (₹ Mn)	2,701	3,243	4,519	2,652

Particular	Tata Cleantech Capital Ltd (TCCL)			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First half of Fiscal 2024
Total Debt (₹Mn.)	53,032	67,372	91,866	96,750
Net Worth (₹Mn.)	11,625	16,768	19,570	21,409
Return on assets (%)	2.63%	2.69%	2.82%	1.61%
Return on equity (%)	15.60%	14.36%	15.33%	9.09%
Net Interest Margin (%)	4.64%	4.59%	4.94%	NA
CRAR (%)	24.84%	23.24%	22.20%	NA
Gross NPA (%)	0.96%	0.76%	0.52%	0.48%
Net NPA (%)	0.61%	0.48%	0.18%	0.17%
Provision coverage ratio (%)	63.63%	63.63%	65.00%	65.01%
Basic EPS (Rs)	4.32	4.81	6.06	4.05
Diluted EPS (Rs)	4.32	4.81	6.06	4.05

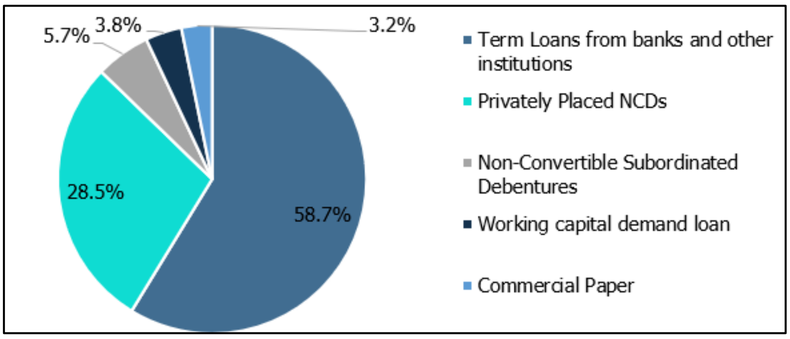
Source: Company reports, CareEdge Research

Asset Mix of TCCL



Source: Company reports, CareEdge Research; Note: For Fiscal 2021 and Fiscal 2022, cleantech sector includes Wind Energy, Solar Energy, Rooftop Solar and other cleantech sector; others include areas of transmission, roads and other Infrastructure sector. For Fiscal 2023, others include electric mobility, energy efficiency, green hydrogen and water treatment projects.

Resource Profile of TCCL as on March 2023



Source: Company reports, CareEdge Research

PFS

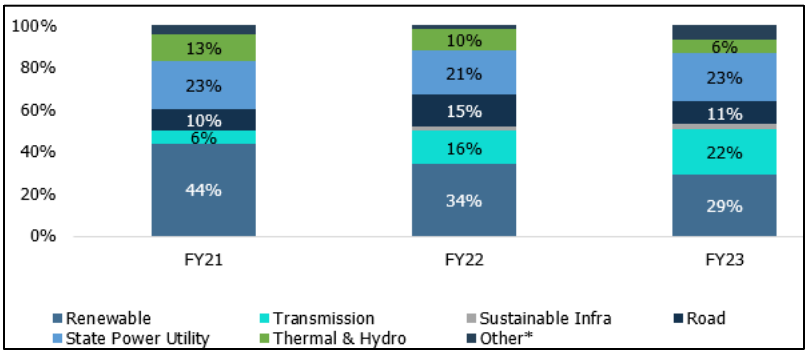
PFS is a NBFC that primarily involves lending in infrastructure and power sector with a view on sustainable lending. The company offers various investment and financing products/solutions such as debt financing (includes Long Term Loan, Short Term Loan as well as Bridge Financing), fee-based services and advisory services. The company has been funding to different sectors such as power projects in generation, transmission, renewables, distribution and fuel sources. They also invest in equipment manufacturers, engineering, procurement and construction contractors, roads, airports manufacturers and engineering, procurement and construction contractors, renewables, transmission, road HAM, annuity projects, e-mobility projects, other sustainable infrastructure projects and other economic strategy sectors. As on June 2023, PFS disbursed loans amounting to ₹ 33.2 billion.

Key financial performance summary of PFS – Consolidated

Particular	PFS			
	Fiscal 2021	Fiscal 2022	Fiscal 2023	First half of Fiscal 2024
Loan book size or AUM (Rs.Mn.)	1,10,940	86,860	73,390	71,750
Revenue from operations (Rs. Mn)	11,306	9,529	7,909	3,800
Profit after tax (Rs.Mn.)	256	1,300	1,758	965
Net Interest Income (Rs. Mn)	3,537	3,449	3,347	1,615
Total Debt (Rs.Mn.)	94,003	71,214	51,218	48,132
Net Worth or Shareholders Equity (Rs.Mn.)	21,195	22,639	24,427	24,749
Return on assets (%)	0.22%	1.24%	2.05%	1.29%
Return on equity (%)	1.21%	5.93%	7.47%	3.93%
Net Interest Margin (%)	3.15%	3.49%	4.18%	4.40%
CRAR (%)	24.10%	26.71%	33.05%	38.58%
Gross NPA (%)	7.64%	8.29%	13.59%	13.74%
Net NPA (%)	3.08%	4.67%	8.00%	7.44%
Provision coverage ratio (%)	62.01%	46.58%	57.24%	61.86%
Basic EPS (Rs)	0.40	2.02	2.74	1.50
Diluted EPS (Rs)	0.40	2.02	2.74	1.50

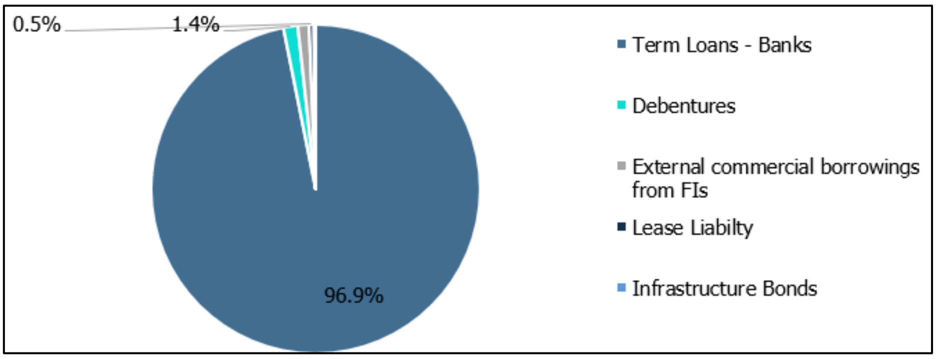
Note: Almost 30% of PFS loan book is into renewables as on March 2023
Source: Company reports, CareEdge Research

Asset Mix of PFS Ltd



Source: Company reports, CareEdge Research
Note: Others include Port, Manufacturing, Mining, Sustainable Infra include – Water Treatment, E- Mobility

Resource Profile of PFS Ltd as on March 2023



Source: Company reports, CareEdge Research

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section entitled "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements and also the sections entitled "Risk Factors", "Industry Overview", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 34, 136, 321 and 520, respectively, as well as financial and other information contained in this Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

The following information is included for analytical purposes and should be read in conjunction with our "Restated Financial Information" as well as "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 321 and 520, respectively. The restated consolidated financial information for Fiscal 2021 is not directly comparable with the restated standalone financial information for Fiscals 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 since we did not have an associate in such subsequent periods. Our holding in our associate, which was terminated on March 26, 2022, amounted to 0.002% of our total assets as of March 31, 2021. Unless otherwise indicated or the context otherwise requires, the Restated Financial Information included in this Prospectus for Fiscals 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 is derived from our restated standalone financial information, and the financial information for Fiscal 2021 is derived from our restated consolidated financial information. For further information, see "Restated Financial Information" on page 321. Unless the context otherwise requires, and in connection with Fiscal 2021, in this section, references to "we", "us", "our", "the Company", or "our Company" refer to Indian Renewable Energy Development Agency Limited on a standalone basis.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs" dated November 2023 (the "**CARE Report**") prepared and issued by CARE Advisory Research and Training Limited. The CARE Report has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and is commissioned by our Company pursuant to mandate letter dated June 9, 2023, and paid for by the BRLMs in equal proportion. Forecasts, estimates, predictions and any other forward- looking statements contained in the CARE Report are inherently uncertain because of changes in factors underlying their assumptions, or events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions or such statements. The data included herein includes excerpts from the CARE Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CARE Report was available on the website of our Company at https://www.ireda.in/home, from the date of the Red Herring Prospectus till the Bid/Offer Closing Date. For more information, see "Risk Factors – Industry information included in this Prospectus has been derived from an industry report prepared CARE Advisory Research & Training Limited exclusively commissioned by us in connection with the Offer and paid for by the BRLMs for such purpose." on page 66. Also see, "Certain Conventions, Use of Financial Information, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 16.*

Overview

We are a wholly owned Government of India ("**GoI**") enterprise under the administrative control of the Ministry of New and Renewable Energy (the "**MNRE**"). Our Company was notified as a "Public Financial Institution" ("**PFI**") under Section 4A of the Companies Act, 1956 by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India on October 17, 1995 and is registered with the Reserve Bank of India (the "**RBI**") as a Systemically Important Non-Deposit-taking Non-Banking Finance Company (a "**NBFC-ND-SI**"), with Infrastructure Finance Company ("**IFC**") status. In September 2023, we have been upgraded from Schedule B to Schedule A in the list of CPSEs by the Department of Public Enterprises (**"DPE"**). We were also conferred with the Mini Ratna (Category I) status in June 2015 by the DPE. Since Fiscal 2021, we have consistently been rated 'Excellent' by the MNRE in course of evaluation of our performance in achieving key targets.

We are a financial institution with over 36 years of experience in the business of promoting, developing and extending financial assistance for new and renewable energy ("**RE**") projects, and energy efficiency and conservation ("**EEC**") projects. We provide a comprehensive range of financial products and related services, from project conceptualisation to post-commissioning, for RE projects and other value chain activities, such as equipment manufacturing and transmission.

As of September 30, 2023, we had a diversified portfolio of Term Loans Outstanding, amounting to ₹ 475,144.83 million, as set forth in "*Competitive Strengths – Track record of growth, geared towards high quality assets, diversified asset book and stable profitability*" on page 222. We have consistently demonstrated strong growth and business performance while maintaining healthy asset quality, evidenced by the following key highlights:

- Term Loans Outstanding of ₹ 278,539.21 million as of March 31, 2021, ₹ 339,306.06 million as of March 31, 2022, ₹ 470,755.21 million as of March 31, 2023, ₹ 337,833.59 million as of September 30, 2022 and ₹ 475,144.83 million as of September 30, 2023, reflecting a CAGR of 30.00% between Fiscal 2021 and Fiscal 2023;

- Loans sanctioned amounting to ₹ 110,013.05 million, ₹ 239,210.62 million, ₹ 325,866.06 million, ₹ 117,654.02 million and ₹ 47,445.03 million in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively;

- Loans disbursed amounting to ₹ 88,283.53 million, ₹ 160,708.22 million, ₹ 216,392.12 million, ₹ 40,063.06 million and ₹ 62,732.52 million in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively;

- Total income of ₹ 26,577.44 million, ₹ 28,741.55 million, ₹ 34,830.44 million, ₹ 15,777.50 million and ₹ 23,204.58 million for Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively, reflecting a CAGR of 14.48% between Fiscal 2021 and Fiscal 2023;

- Profit after tax of ₹ 3,463.81 million, ₹ 6,335.28 million, ₹ 8,646.28 million, ₹ 4,102.66 million and ₹ 5,793.15 million for Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively, reflecting a CAGR of 57.99% between Fiscal 2021 and Fiscal 2023; and

- Gross non-performing assets ("**NPAs**") as a percentage of Term Loans Outstanding reduced from 8.77% as of March 31, 2021 to 5.21% as of March 31, 2022, 5.06% as of September 30, 2022, 3.21% as of March 31, 2023, and further to 3.13% as of September 30, 2023. Our net NPAs as a percentage of Net Term Loans Outstanding reduced from 5.61% as of March 31, 2021 to 3.12% as of March 31, 2022, 2.72% as of September 30, 2022, 1.66% as of March 31, 2023 and further to 1.65% as of September 30, 2023.

We have financed projects across multiple RE sectors such as solar power, wind power, hydro power, transmission, biomass including bagasse and industrial co-generation, waste-to-energy, ethanol, compressed biogas, hybrid RE, EEC and green-mobility. We also offer financial products and schemes for new and emerging RE technologies such as, biofuel, green hydrogen and its derivatives, battery energy storage systems, fuel cells, and hybrid RE projects.

We offer a comprehensive suite of financial products and services including various fund-based and non fund-based products. Some of our key fund-based products for RE developers are long-term, medium-term and short-term loans (for projects, manufacturing and equipment financing), top-up loans, bridge loans, takeover financing, and loans against securitization of future cashflows. We also provide line of credit to other NBFCs for on-lending to RE and EEC projects. In addition, we provide loans to government entities and also provide financing schemes for RE suppliers, manufacturers and contractors.

Our non fund-based products include letter of comfort, letter of undertaking, payment on order instruments and guarantee assistance schemes. Further, we provide consulting services on techno-commercial issues relating to the RE sector.

We have been established as an integral part of, and have played a strategic role in the GoI's initiatives for the promotion and development of the RE sector in India. We are directly involved in implementing several significant schemes launched by the MNRE. We were the fund handling agency for the Credit Linked Capital Subsidy Scheme. Further, we have been designated as the Central Nodal Agency for the National Bioenergy Programme (Phase I) for the Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based co-generation in Industries and the Programme on Energy from Urban, Industrial, Agricultural

Waste/ Residues. We are also the implementing agency for the Central Public Sector Undertaking (Government Producer Scheme) (Phase 2 Tranche III), Generation Based Incentive Scheme as well as the Rooftop, PV and Small Solar Generation Programme and the National Programme on High Efficiency Solar PV Modules under the Production Linked Incentive Scheme (Tranche I).

In Fiscal 2023 and the six months ended September 30, 2023, our total loans sanctioned of ₹ 325,866.06 million and ₹ 47,445.03 million, respectively, included ₹ 276,869.79 million and ₹ 38,420.13 million of term loans for RE and EEC projects, ₹ 8,491.76 million and ₹ 2,800.00 million of short-term loans to RE developers and ₹ 1,520.00 million and ₹ 3,734.90 million of guaranteed loans and letter of comfort. In Fiscal 2023, our total loans sanctioned included ₹ 37,500.00 million loan facility to State Utilities and ₹ 984.50 million under the Guaranteed Emergency Credit Line. We have a geographically diversified portfolio, with Term Loans Outstanding across 23 States and five Union Territories across India, as of September 30, 2023.

We have a secured asset base, and 93.41% of our Term Loans Outstanding as of September 30, 2023, has security cover. We have been rated highly by credit rating agencies and as of the date of this Prospectus, India Ratings had rated our debt instruments AAA (Stable), ICRA has rated our Bonds ICRA AAA (Stable) and Acuite has rated our bank loans Acuite AAA Stable. For further information, see "– *Our Credit Ratings*" on page 251.

In addition to our financial products and services, we also have our own 50 MW Solar Photovoltaic Project at Kasaragod Solar Park in the State of Kerala. The project generates power which is injected into the grid of Kerala State Electricity Board. The project was fully commissioned in September 2017. In Fiscal 2021, 2022, 2023, and the six months ended September 30, 2022 and September 30, 2023 our 50 MW Solar Photovoltaic Project generated revenue of ₹ 274.17 million, ₹ 284.90 million, ₹ 269.04 million, ₹ 118.34 million and ₹ 139.80 million, respectively.

Our key financial and operational parameters as of, and or the years ended, March 31, 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, are set forth below.

Particulars	**As of / For the Year Ended March 31,**			**As of/ For the Six Months Ended September 30,**	
	2021	**2022**	**2023**	**2022***	**2023***
	₹ million, except percentages and ratios				
Total Income	26,577.44	28,741.55	34,830.44	15,777.50	23,204.58
Profit after tax	3,463.81	6,335.28	8,646.28	4,102.66	5,793.15
Net interest income(1)	9,922.15	11,280.44	13,237.65	6,237.53	7,854.23
Net worth	29,956.00	52,681.13	59,351.69	56,383.12	65,806.12
Term Loans Outstanding	278,539.21	339,306.06	470,755.21	337,833.59	475, 144.83
Term Loans Outstanding/ Average Term Loans Outstanding(2)	1.08	1.10	1.16	1.00	1.00
Total assets/ Average Term Loans Outstanding(2)	1.18	1.19	1.25	1.20	1.08
Total borrowings	240,000.04	276,130.72	401,652.80	302,303.63	398,501.93
Profitability ratios:					
Spread(3)	3.26%	2.81%	2.21%	1.43%	1.11%
Net interest margin(4)	3.93%	3.75%	3.32%	1.79%	1.68%
Total Debt to net worth (5)	8.01	5.24	6.77	5.36	6.06
Average yield on average interest earning assets(6)	10.44%	9.17%	8.63%	4.46%	4.96%
Average cost of borrowings(7)	7.15%	6.33%	6.23%	3.22%	3.82%
Cost to income ratio(8)	78.57%	70.99%	67.29%	60.95%	64.69%
ROA(9)	1.20%	1.89%	1.98%	1.06%	1.14%
ROE(10)	12.56%	15.33%	15.44%	7.52%	9.26%
Regulatory capital ratios:					
CRAR(11)	17.12%	21.22%	18.82%	23.55%	20.92%
Asset quality ratios:					
Provision coverage ratio(12)	38.14%	41.45%	49.25%	47.58%	48.11%
Gross NPAs (%)(13)	8.77%	5.21%	3.21%	5.06%	3.13%
Net NPAs (%)(14)	5.61%	3.12%	1.66%	2.72%	1.65%
EPS (basic)(15)	4.41	8.03	3.78	1.80	2.54
EPS (diluted)(16)	4.41	8.03	3.78	1.80	2.54

** Figures for the six months ended September 30, 2022 and September 30, 2023 have not been annualised.*

Notes:

(1) Net interest income = "NII" represents net interest income (comprising interest on term loans and investments) less interest expense (comprising interest on borrowings availed by us and net gain/loss on foreign exchange translation), for the period.
(2) Average Term Loans Outstanding is calculated as the mean of the opening and closing balance of our Term Loans Outstanding.
(3) Spread refers to difference between average yield on average interest earning assets and average cost on average interest-bearing liabilities, as a percentage.
(4) Net interest margin, or "NIM", represents net interest income divided by average interest earning assets, as a percentage.
(5) Total borrowings as at period end divided by net worth as at period end. Total borrowings includes debt securities, borrowings (other than debt securities) and subordinated liabilities as at period end.
(6) Average yield on average interest-earning assets is the ratio of interest income and income that is directly attributable to income on loans (such as loan application fees and front-end fees payable by the borrower prior to sanction/disbursement of the loan) on interest earning assets to average interest-earning assets for the year/ period.
(7) Interest expended during the period divided by average borrowings from all sources, as a percentage. For the purpose of computation of average cost of borrowings, finance cost is considered including gain or loss on foreign currency exchange rate fluctuation and other borrowing cost.
(8) Cost to income ratio refers to the total expenses for the period divided by the total income for the period, as a percentage.
(9) ROA or return on assets is calculated as profit after tax for the period, divided by the average total assets, as a percentage.
(10) ROE or return on equity is calculated as profit after tax for the period, divided by average shareholders' equity, as a percentage.
(11) Capital to risk (weighted assets) ratio, or capital adequacy ratio means the total of Tier-I and Tier-II capital divided by Credit Risk Weighted Assets, as a percentage.
(12) Provision coverage ratio reflects total provisions held on Gross NPAs, divided by Gross NPAs as at period end, as a percentage.
(13) Gross NPA (%) represents Gross Non-performing Term Loans divided by Term Loans Outstanding at the period end, as a percentage.
(14) Net NPA (%) represents Net Non-performing Term Loans divided by Net Term Loans Outstanding, as at the period end, as a percentage. Net Term Loans represent Term Loans Outstanding minus NPA Provisions, as at the period end.
(15) EPS (basic) has been calculated as profit after tax for the period divided by weighted average number of Equity Shares at the end of the period.
(16) EPS (diluted) has been calculated as profit after tax for the period divided by weighted average number of Equity Shares including potential number of Equity Shares at the period end.

Competitive Strengths

We are the largest pure-play green financing NBFC in India with loan assets of ₹ 470.7 billion as of March 31, 2023 (*Source: CARE Report*), where as per the RBI, "green finance" means lending to and/or investing in the activities/projects that contributes to climate risk mitigation, climate adaptation and resilience, and other climate-related or environmental objectives - including biodiversity management and nature-based solutions. (*Source: CARE Report*) Among power financing NBFCs, we have the largest share in credit towards the RE sector other than PFC, which is also present in sectors such as infrastructure, roads, mining and others, while we are completely focused on the RE sector. (*Source: CARE Report*) For further information, see "*Industry Overview – Power focused NBFCs in India – Trend in power financing NBFCs credit towards renewable sector*" on page 205. Our position in the market is underpinned by the following competitive strengths:

Track record of growth, geared towards high quality assets and diversified asset book and stable profitability

We have an established track record of consistent growth in our loan book and stable profitability in the RE financing space in India. As on March 31, 2023, our Term Loans Outstanding stood at ₹ 470,755.21 million, compared to ₹ 278,539.21 million as on March 31, 2021, increasing at a CAGR of 30.00%, and as of September 30, 2022 and September 30, 2023, our Term Loans Outstanding were ₹ 337,833.59 million and ₹ 475,144.83 million, respectively. Along with this growth, we have maintained a diversified asset book in terms of sectoral split and geography.

In terms of geographical diversification of our asset base, we have Term Loans Outstanding across 23 states and five Union Territories in India, as of September 30, 2023. Set forth below is a map showing the total Term Loans Outstanding made to borrowers in States and Union Territories where the totals of those loans exceeded 1% of our Term Loans Outstanding, as of September 30, 2023:

1. Others represents multiple states including Gujarat, Karnataka, Assam, Uttar Pradesh, Telangana, Madhya Pradesh, Rajasthan, Andhra Pradesh, Maharashtra, West Bengal, Bihar, Tripura, Punjab, Tamil Nadu & Jharkhand.

Further, set forth below are details of our Term Loans Outstanding, based on sector, reflecting our sectoral diversification:

Sr. No.	Sector	As of March 31						As of September 30,			
		2021		2022		2023		2022		2023	
		Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding
1.	Solar Energy	78,402.12	28.15%	85,058.20	25.07%	143,488.59	30.48%	84,804.10	25.10%	142,430.81	29.98%
2.	Loan Facility to State Utilities[1]	71,350.09	25.62%	111,716.31	32.92%	113,317.57	24.07%	92,338.78	27.33%	91,152.43	19.18%
3.	Wind Power	60,820.26	21.84%	62,193.11	18.33%	88,924.90	18.89%	62,102.16	18.38%	99,184.53	20.87%
4.	Hydro Power	28,628.98	10.28%	39,255.15	11.57%	54,379.08	11.55%	51,707.71	15.31%	54,472.39	11.46%
5.	Manufacturing[2]	4,484.21	1.61%	6,242.49	1.84%	15,161.74	3.21%	11,658.86	3.45%	22,909.72	4.82%
6.	Ethanol	2,038.92	0.73%	3,923.00	1.16%	10,968.07	2.33%	5,491.20	1.63%	15,066.58	3.17%
7.	Biomass Power and Co-generation	13,395.56	4.81%	11,667.69	3.44%	10,765.95	2.29%	11,316.73	3.35%	11,563.29	2.43%
8.	Hybrid Wind and Solar	625.00	0.22%	-	0.00%	10,067.50	2.14%	1,900.00	0.56%	10,067.46	2.12%
9.	Short Term Loans to Private Entities[3]	10,208.83	3.67%	7,054.25	2.08%	9,163.81	1.95%	5,765.38	1.71%	10,040.46	2.11%
10.	Waste-to-energy	3,906.35	1.40%	4,609.16	1.36%	4,832.77	1.03%	4,371.58	1.29%	4,925.21	1.04%
11.	Electric Vehicle (**“EV”**)	-	0.00%	357.05	0.11%	3,650.52	0.78%	1,428.21	0.42%	4,778.04	1.01%
12.	Guaranteed Emergency Credit Line[4]	1,451.70	0.52%	3,968.53	1.17%	3,008.64	0.64%	2,116.33	0.63%	2,871.38	0.60%
13.	Transmission	2,053.97	0.72%	1,629.43	0.46%	1,652.04	0.35%	1,623.98	0.48%	4,293.69	0.90%
14.	EEC	604.57	0.22%	1,174.57	0.35%	918.96	0.20%	1,098.63	0.33%	791.07	0.17%
15.	Biomass (Briquetting, Gasification and Methanation from Industrial Effluents)	0.05	0.00%	0.05	0.00%	432.50	0.09%	82.91	0.02%	579.13	0.12%
16.	National Clean Energy Fund	104.06	0.04%	31.52	0.01%	22.57	0.00%	27.03	0.01%	18.64	0.00%
17.	Bridge Loan	464.54	0.17%	425.55	0.13%	-	-	-	-	-	-
	Total	**278,539.21**	**100.00%**	**339,306.06**	**100.00%**	**470,755.21**	**100.00%**	**337,833.59**	**100.00%**	**475,144.83**	**100.00%**

Notes:

(1) Loan Facility to State Utilities includes term loans extended to state-owned utility companies of a tenure of up to five years (excluding moratorium of up to one year) to meet renewable purchase obligations, for procurement of RE power, payment to RE generators, setting up RE infrastructure such as transmission lines, and similar purposes.

(2) Manufacturing includes the term loan extended to manufacturing projects in particular, for which we obtain security by way of mortgage on land and buildings and hypothecation of assets, including plant and machinery.

(3) Short term loans to private entities includes short-term loans to developers, suppliers, contractors and manufacturers to meet their immediate funding requirements towards project development, implementation and operations of RE projects.

(4) We are a registered member lending institution for providing term loans to existing borrowers under Guaranteed Emergency Credit Line Scheme. The loans under this scheme are fully guaranteed by the National Credit Guarantee Trustee Company which is a wholly owned company of the GoI set up to act as a common trustee company for multiple credit guarantee funds.

We have been able to achieve strong growth while maintaining asset quality, which is intended to ensure sustained profitability for our Company. The quality and stability of our loan book is demonstrated through the fact that as of September 30, 2023, our loans to RE power generating projects in the sectors set forth below have already been commissioned, and have therefore started generating operating income:

Sector	**Term Loans Outstanding**	**Commissioned Term Loans Outstanding**	**Percentage commissioned of the Term Loans Outstanding**
	(₹ million, except percentages)		
Hydro Power	54,472.39	48,915.87	89.80%
Biomass Power and Co-generation	11,563.29	10,781.09	93.24%
Wind Power	99,184.53	94,108.08	94.88%
Solar Energy	142,430.81	102,137.86	71.71%
EEC	791.07	723.22	91.42%
Hybrid Wind and Solar	10,067.46	2,483.45	24.67%
Waste-to-energy	4,925.21	2,591.32	52.61%
Ethanol	15,066.58	1,854.54	12.31%
Biomass (Briquetting, Gasification and Methanation from Industrial Effluents)	579.13	39.56	6.83%
Total	**339,080.47(1)**	**263,634.99**	**77.75%**

Note:

This comprises 71.36% of our total Term Loans Outstanding as of September 30, 2023. As commissioned data only pertains to project loans and is not related to other types of loans being extended, such as Short Term Loans to Private Entities, loan facility to State Utilities, Transmission, Manufacturing, GECL, among others, it is not possible to calculate the percentage of projects commissioned to our total Term Loans Outstanding.

As of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023, our secured Term Loans Outstanding amounted to ₹ 245,934.93 million, ₹ 294,558.88 million, ₹ 431,210.33 million, ₹ 304,289.07 million and ₹ 443,823.68 million, respectively, reflecting 88.29%, 86.81%, 91.60%, 90.07% and 93.41% of our Term Loans Outstanding, which provides substantial hedge in the event of default.

Of our Term Loans Outstanding as of September 30, 2023, 37.88% had a residual maturity profile of less than three years, 26.31% had a maturity profile between three years and seven years and 35.80% had a maturity profile of more than seven years, as set forth below:

Balance as on September 30, 2023	**Up to 6 months**	**7-12 month**	**More than 1 year up to 3 years**	**More than 3 years up to 5 years**	**More than 5 years up to 7 years**	**More than 7 years**
(₹ million)						
475,144.83	42,466.42	31,841.00	105,683.59	74,349.69	50,684.03	170,120.10

Some of our key highlights in terms of loan book, profitability and asset quality over the corresponding periods have been set forth below:

Particulars	**As of/ For the Year Ended March 31,**			**CAGR (Fiscal 2021 – Fiscal 2023)**	**As of/ For the Six Months Ended September 30,**	
	2021	**2022**	**2023**		**2022**	**2023**
	(₹ million, except percentages and ratios)					
Loans Sanctioned	110,013.05	239,210.62	325,866.06	72.11%	117,654.02	47,445.03
Loans Disbursed(1)	88,283.53	160,708.22	216,392.12	56.56%	40,063.06	62,732.52
Net worth	29,956.00	52,681.13	59,351.69	40.76%	56,383.12	65,806.12
Gross NPA(2)	24,415.53	17,682.54	15,133.54	(21.27)%	17,087.67	14,860.81
Net NPA(3)	15,102.24	10,353.90	7,680.24	(28.69)%	8,957.41	7,710.76

(1) Disbursement is for the respective period, including in connection with projects that may have been sanctioned previously.
(2) Gross NPA represents Term Loans Outstanding pertaining to loans which are required to be classified as NPA as per the Income Recognition, Asset Classification and Provisioning norms issued and modified by RBI from time to time.
(3) Net NPA represents Gross NPA reduced by NPA provisions as of the last day of relevant period

Strategic role in Government of India initiatives in the Renewable Energy sector

We are a wholly owned GoI enterprise under the administrative control of the MNRE. Since our inception, we have been closely involved in the development and implementation of various policies and schemes for structural and procedural reform in the RE sector.

We have served as the implementing agency for the following key MNRE policies and schemes:

(i) National Programme on High Efficiency Solar PV Modules under the Production Linked Incentive Scheme (Tranche I), for which the financial outlay over a five-year period is ₹45 billion; (*Source: CARE Report*)

(ii) Central Public Sector Undertaking ("**CPSU**") Scheme Phase-II for setting up 12,000 MW grid-connected solar PV power projects with Viability Gap Funding ("**VGF**") support of ₹ 858 million for self-use or use by Government or Government entities, of both Central and State Governments; (*Source: CARE Report*)

(iii) Solar and wind GBI Schemes, with the wind GBI scheme having a total commissioned capacity of 13,624.88 MW and a budget of ₹12.14 billion being allocated for Fiscal 2024, and the solar GBI scheme, under which 72 solar projects with total capacity of 91.8 MW were set up across 13 states, as of March 31, 2023; (*Source: CARE Report*); and

(iv) National Clean Energy Fund Refinancing Scheme.

We are the Central Nodal Agency for the following specific schemes under the relevant programmes:

(i) Programme on Energy from Urban, Industrial and Agricultural Wastes/ Residues, as part of the National Bioenergy Programme (Phase I) launched in November 2022. The Programme on Energy from Urban, Industrial and Agricultural Wastes/ Residues has a total outlay of ₹ 6.00 billion for Phase I; (*Source: CARE Report*) and

(ii) Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based co-generation in Industries under the National Bioenergy Programme (Phase I). The Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based co-generation in Industries has a budget of ₹ 1.58 billion. (*Source: CARE Report*)

We were also the fund handling agency for the Solar Water Heating System Capital Subsidy Scheme.

We have expanded our financing services in line with the RE priorities of the GoI such as solar, wind, hydro power, biomass, co-generation, among others. The GoI has highlighted priority areas for RE generation, including RE component manufacturing (solar modules, hydrogen electrolysers, battery storage, among others), green energy corridor, green hydrogen production, utility-scale battery storage, pumped storage hydro, ethanol, green mobility and rooftop solar power. (*Source: CARE Report*) We intend to continue to play a critical role in shaping and implementing key policies and schemes in these areas.

In addition, we provide consulting services on techno-commercial issues relating to the RE sector. In Fiscal 2021, we entered into an MoU with SJVN Limited, an Indian public sector hydroelectric power company, to provide techno-commercial consultancy services in the field of RE. In Fiscal 2022, we entered into an MoU with Brahmaputra Valley Fertilizer Corporation for such consultancy services as well. In addition, we have entered into an MoU with NHPC Limited ("**NHPC**"), a hydroelectric power company, to provide NHPC with consultancy services for RE projects.

We were conferred with the Mini Ratna (Category I) status in June 2015 by the Department of Public Enterprises, and have received Schedule A status with the GoI, issued by the Department of Public Enterprises. In September 2023, we have been upgraded from Schedule B to Schedule A by the DPE.

As of the date of this Prospectus, we have been recommended by the MNRE for Navratna status. Our regular and structured interaction with GoI entities, deep understanding of schemes and policies provides us with access to potential business opportunities, ability to understand and efficiently structure appropriate financing solutions for developers, and strengthens our ability to effectively appraise project risk from a policy and regulatory perspective, providing us a distinct advantage *vis a vis* other financing entities.

Established and trusted brand name operating in a rapidly expanding sector

With the announcement of 500 GW non-fossil fuel based capacity installation by 2030 and net-zero emissions by 2070, India has set itself on one of the most accelerated energy transition trajectories in the world. (*Source: CARE Report*) Our position as the largest pure-play green financing NBFC in India places us among select players who are well placed to capitalise on the rapid growth in the RE sector. (*Source: CARE Report*) Our brand is strengthened by our role as the implementation agency for several prominent MNRE schemes and policies. We have focussed on building our reputation in relation to the following:

(i) Specialized expertise in technical appraisal of RE projects;
(ii) Innovation in structuring specialised financial products for various RE sectors; and
(iii) Customer satisfaction and quality of service provided to borrowers.

Our exclusive focus on green finance has led to domain knowledge across various RE sectors from a technical and financial perspective based on our experience of more than 36 years. As of September 30, 2023, we had 357 RE borrowers across more than 10 RE sectors such as solar, wind, hydro, biomass, co-generation, EV, waste-to-energy, EEC, manufacturing, ethanol, among others.

We have offered the following innovative products:
- Loans against securitization of future cashflows of RE projects.
- Guarantee assistance scheme to RE suppliers, developers, manufacturers and engineering, procurement and construction ("**EPC**") contractors for bid security.
- Credit enhancement guarantee scheme for raising bonds by our developers against their operating RE assets.
- Special product for funding RE projects through bonds, banks loans and other financial instruments.
- Factoring for purchasing receivables of solar power developers payable by eligible government entities.
- Schemes for biomass-based power co-generation, heat application and ethanol.
- Funding for battery energy storage systems and green hydrogen.
- Financing for e-mobility/ green mobility sector, including fleet financing for EV operators and on-lending for e-mobility/ green mobility financing.

Our reputation has been built on our expedited processing of loan applications, structuring of financial products based on the needs of developers and responsiveness to customer queries and issues through the term loan lifecycle. Our borrowers comprise some of the key RE players in India, such as ReNew Power Private Limited, Continuum MP Windfarm Development Private Energy, Ayana Renewable Power Private Limited, Madhya Bharat Power Corporation Limited, SJVN Limited, TruAlt Bioenergy Limited, Rising Sun Energy (K) Private Limited, Emvee Photovoltaic Power Private Limited, Premier Energies Limited, Rewa Ultra Mega Solar Limited, Acme Cleantech Solutions Private Limited, Pioneer Genco Limited and Pioneer Power Corporation Limited, Zuari Industries Limited and Jindal Urban Waste Management (Visakhapatnam) Limited.

We have been honoured with several awards and recognitions as an acknowledgement of our performance and the value of our brand, including:

Year	Particulars
2023	'Company of the Year under Mini-Ratna category', 'CMD of the Year under Mini-Ratna category' and 'Operational Performance Excellence 1st runner-up) under Mini-Ratna category' by Indian Chamber of Commerce, at the 12th PSE Excellence Awards 2022
	'Outstanding Contribution to the Development of Renewable Energy' at the Central Board of Irrigation and Power Awards 2022
2022	'Top Financing Institution award for RE & EE' category in the 2nd Edition of Green Urja and Energy Efficiency Award by Indian Chamber of Commerce
	Best performing NBFC for Highest Loan Sanctions and Disbursements in 2021-2022 in the Renewable Energy Sector' by Association of Renewable Energy Agencies of States
2021	'Green Urja Award' in Government Sector Category for 'Leading Public Institution' in 'Financing Institution for RE this year' by Indian Chamber of Commerce
	'Rotary CSR Awards 2021' by Rotary International in recognition of the Corporate Social Responsibility initiatives by our Company

For further information on awards and accolades, see *"History and Certain Corporate Matters – Awards and Accreditations"* on page 280.

Digitized process for borrower centricity and operational scalability, with presence across India

We have a robust IT infrastructure with an Enterprise Resource Planning System ("**ERP System**") tailored to our business requirements. Our IT modules extend to various key processes across borrower-facing functions, as well as internal processes, including the following:

- *Online loan application* for customers to serve as a single point of contact for application filings, documentation uploads and alerts. To provide borrowers with a streamlined and time efficient loan application process, our loan applications are filed online and processed digitally. We have standardized our application mechanism for processing sanction of loans. We have adopted templates for pre-disbursement and post-disbursement documentation requirements.

- *Customer portal*, which we are in the process of developing, by logging onto which, borrowers can track the progress of their application in real time and see any outstanding tasks or next steps.

In addition, we benefit from our integrated ERP comprising business processes such as finance and accounts, payroll, human resource management system, employee self-service, loan origination system and loan management system, liability management system, legal, credit risk rating system, inventory management, and project monitoring and risk management.

We continually improve our IT structures with a view towards creating an integrated system to unlock operational efficiencies, create financing risk insights and enable management review. In addition to our digital interventions, we have also expanded our physical presence across India. As of the date of this Prospectus, other than our presence in Delhi, we have four strategically located branches in Mumbai, Hyderabad, Chennai and Bhubaneshwar to maximize geographical range in terms of territory and have also deployed on-ground personnel at Bengaluru and Guwahati. Our borrowers are able to benefit from this as it expedites on-site project checks and loan documentation, which are a critical step for sanction as well as disbursement. Through our digitized processes, augmented by our physical presence, we have Term Loans Outstanding of ₹ 475,144.83 million across 23 States and five Union Territories as of September 30, 2023.

We organize physical and virtual stakeholder meetings on a quarterly basis which provides borrowers with the opportunity to directly interact with our senior management to highlight any concerns, in a transparent manner.

Comprehensive data-based credit appraisal process and risk-based pricing, with efficient post-disbursement project monitoring and recovery processes

We have maintained strong control over our NPAs, which have demonstrated a declining trend over the three preceding Fiscals and the six months ended September 30, 2023, as set forth below, enabled by a robust credit appraisal process and efficient monitoring and recovery:

Particulars	**As of / For the Year Ended March 31,**			**As of/ For the Six Months Ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
	₹million, except percentages and ratios				
Gross NPA(1)	24,415.53	17,682.54	15,133.54	17,087.67	14,860.81
Gross NPA (%)(2)	8.77%	5.21%	3.21%	5.06%	3.13%
Net NPA(3)	15,102.24	10,353.90	7,680.24	8,957.41	7,710.76
Net NPA (%)(4)	5.61%	3.12%	1.66%	2.72%	1.65%

(1) Gross NPA represents Term Loans Outstanding pertaining to loans which are required to be classified as NPA as per the Income Recognition, Asset Classification and Provisioning norms issued and modified by RBI from time to time.
(2) Gross NPA (%) represents Gross Non-performing Term Loans divided by Term Loans Outstanding at the period end, as a percentage.
(3) Net NPA represents Gross NPA reduced by NPA provisions as of the last day of relevant period
(4) Net NPA (%) represents Net Non-performing Term Loans divided by Net Term Loans Outstanding, as at the period end, as a percentage. Net Term Loans represent Term Loans Outstanding minus NPA Provisions, as at the period end.

We have comprehensive credit appraisal policies and procedures which enable us to effectively appraise and extend financial assistance to various RE projects, including new and emerging RE sectors, while maintaining asset quality. Our appraisal process assesses key parameters spanning sponsor support, borrower creditworthiness and history, technological specifications/performance of the project, working capital funding arrangement, offtake agreement, and other statutory compliances, among others.

Each loan proposal under consideration is graded using our proprietary Credit Risk Rating System ("**CRRS**"), which captures seven types of risks as of September 30, 2023, and multiple risks including permitting risk, execution risk, generation risk, operating risk, off-taker risk, sponsor risk, and project funding and financial risk for comprehensive risk assessment. The applicable interest rate is finalised for a project based on the risk grade assigned by CRRS. Credit appraisal proposals are reviewed by an internal screening committee, which includes our Chief Risk Officer, to assess overall viability of the loan proposal. In addition, every credit appraisal undergoes an independent financial concurrence to validate the project viability model, compliances and other relevant documentation. Based on the recommendations of the screening committee and financial concurrence, the final appraisal agenda with detailed terms and conditions is put up for approval before the sanctioning authority.

Our credit appraisal is based on an understanding of high-sensitivity risks impacting each RE sector and project type. With our experience of over 36 years in RE financing, we have gathered information on several parameters impacting performance of project such as original equipment manufacturer ("**OEM**") performance, technology utilization, EPC performance, and operation and management contractor performance, amongst others. Further, while our credit appraisal processes contribute to the right projects being financed, we also have structured mechanisms in place to monitor loans through the project life cycle.

Our post-disbursement monitoring mechanism is structured to proactively set off potential default triggers based on regular review of key parameters including balance/transaction review for trust and retention accounts and debt service reserve accounts, plant load factor of projects, validity/coverage of insurance for projects, compliance with security coverage, and any significant changes in the guarantor's net worth. In addition to the multiple levels of checks as part of the appraisal process before sanctioning, site visits are undertaken by our officers and a lender's independent engineer, whom we appoint, to assess on-ground project progress at various stages of implementation of the project.

We review our debt repayment positions on a regular basis to identify potentially problematic loans at an early stage and prepare for immediate corrective action to ensure efficient resolution of such accounts. We ensure interventions at multiple levels to promptly resolve special mention accounts ("**SMAs**"), such as correspondence with these accounts, as well as quarterly borrower meetings with our senior management. We also hold structured internal reviews on a monthly basis for discussion on status and action on SMAs to ensure that we drive coordinated and timely action across different functions such as monitoring, recovery, legal and business.

In addition, we adopt a structured approach for maximum recovery by pursuing multiple resolution frameworks, such as restructuring, initiating legal action before the National Company Law Tribunal or Debt Recovery Tribunals ("**DRT**") under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI**") or one-time settlements.

As a result of this concerted approach to recovery, we were able to close or upgrade net 18 non-performing project loan accounts in Fiscal 2023 and one project loan account in the six months ended September 30, 2023, with recovery of ₹ 2,024.30 million and ₹ 498.43 million, respectively.

Our Gross NPA improved from ₹ 24,415.53 million, or 8.77% of Term Loans Outstanding as of March 31, 2021 to ₹ 17,682.54 million, or 5.21% of Term Loans Outstanding as of March 31, 2022, ₹ 15,133.54 million, or 3.21% of Term Loans Outstanding as of March 31, 2023, ₹ 17,087.67 million or 5.06% of Term Loans Outstanding as of September 30, 2022 and further to ₹ 14,860.81 million, or 3.13% of our Term Loans Outstanding as of September 30, 2023.

Our Net NPA also decreased from ₹ 15,102.24 million or 5.61% of Net Term Loans Outstanding as of March 31, 2021 to ₹ 10,353.90 million or 3.12% of Net Term Loans Outstanding, ₹ 7,680.24 million or 1.66% of Term Loans Outstanding as of March 31, 2023, ₹ 8,957.41 million or 2.72% of Term Loans Outstanding as of September 30, 2022 and further to ₹ 7,710.76 million, or 1.65% of our Net Term Loans Outstanding as of September 30, 2023.

Access to diversified and cost-effective long-term sources of borrowing with a judicious approach towards asset-liability management

Our average cost of borrowings in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 was 7.15%, 6.33%, 6.23%, 3.22% and 3.82%, respectively, which we believe is competitive. Our debt-to-equity ratio was 6.77 as of March 31, 2023 and 6.06 as of September 30, 2023. We believe that our classification as a Public Finance Institution and our credit ratings enable us to access diversified funding options. Our primary sources of borrowings include domestic and foreign currency borrowings. Our foreign currency borrowings are with and without GoI guarantees. As of September 30, 2023, our total borrowings amounted to ₹ 398,501.93 million, of which our domestic borrowings were ₹ 301,644.25 million, which primarily included taxable and tax-free bonds, loans from banks and financial institutions; our foreign currency borrowings from international sources guaranteed by the GoI were ₹ 69,734.80 million, and on a non-sovereign basis were ₹ 27,122.88 million. In addition, we have received support from the GoI in the form of additional capital infusion of ₹ 15,000.00 million, in March 2022. In the past, the GoI has also allocated tax-free bonds to us.

The cost of funding is influenced by credit ratings on domestic and international borrowings and debt securities. Our outstanding bonds are highly rated by credit rating agencies, and as of the date of this Prospectus, ICRA has rated our Bonds ICRA AAA (Stable), India Ratings had rated our debt instruments AAA (Stable) and Acuite has rated our bank loans ACUITE AAA Stable. For further information, see "*– Our Credit Ratings*" on page 251.

Our international funding sources include loans from the World Bank, the Asian Development Bank, KFW, Japan International Cooperation Agency, European Investment Bank and Agence Francaise De Developpement. Our association with these development financing institutions, backed by sovereign guarantees or on non-sovereign basis, has enabled us to raise funds at concessional interest rates and with long tenors. The long tenors of our borrowings in turn enables us to extend long-term loans, which, in our experience is preferred by RE project developers. The tenure of our foreign currency borrowings typically ranges between 12 years to 40 years.

We have established an Asset Liability Committee for management of liquidity risks and for setting up liquidity risk tolerance and strategy. We undertake a periodical review of assumptions used in liquidity projection and manage unexpected regulatory, statutory and other payments. We have implemented an asset-liability management framework in line with our asset liability management policy for periodic analysis of the liquidity profile of our assets and liabilities. This analysis is carried out periodically and is used for critical decisions regarding the timing and quantum of fundraising, maturity profile of the borrowings, creation of new assets and mix of assets and liabilities in terms of time period (short, medium and long-term). We also maintain high-quality liquid assets in the form of investment in GoI securities, and as of September 30, 2023, we have invested ₹ 993.20 million in GoI securities. We have an internal committee for investments, which manages any surplus funds in line with the investment policy. For further information about the maturity profile of our assets and liabilities as of September 30, 2023, see *"Selected Statistical Information"* beginning on page 308.

In addition, we have an internal committee which manages risks associated with foreign currency borrowings in line with our foreign exchange and derivatives risk management policy. We manage foreign currency risk through derivative products (such as currency forwards, principal swaps, currency swaps and other approved products as per the RBI) offered by ISDA banks.

To address risks stemming from interest rate fluctuation, we have an internal committee for reviewing interest rates for different sectors, to ensure continued profitability on our assets. We review our lending rates periodically based on prevailing market conditions, incremental borrowing cost, yield, spread, competitors' rates and business requirements. We manage interest rate risk through the terms and conditions of our loans, including pricing terms, maturities and pre-payment and re-pricing provisions. Our loan agreements have provisions which entitle us to reset our interest grid periodically or upon fulfilment of certain conditions.

Experienced senior management with in-depth sector expertise and professionally qualified employee base

We are led by experienced senior management with an established track record in managing public institutions in India and considerable knowledge of power sector and RE financing in India. The average work experience in banking finance, power and RE of our management is between 25 and 30 years. Our Board of Directors includes Government Nominee Directors as well as Independent Directors. Their experience, as well as their strong relationships with government agencies and other RE and power sector entities, has enabled us to successfully grow our operations. Our senior management is committed to implementing high standards of corporate governance and we have established policies and procedures to support transparency, sound business ethics and a well-established compliance framework, including a whistle-blower mechanism.

We have a professionally qualified and highly experienced employee base with sector expertise in power and renewable sector, banking and finance and agriculture/horticulture. As of September 30, 2023, we have 152 professionally qualified employees with engineering, finance, legal, human resource and IT background, of our 175 employees. Further, our employees have work experience of over 18 years, on average, as of September 30, 2023 and our department heads have an average work experience of over 27 years. We have a performance-oriented culture with focus on business outcome-based key performance indicators, continuous skill development and continuous monitoring and augmentation of the performance level of our employees.

Our recruitment efforts are aligned with our business strategy to support our growth through fresher recruitment from premier institutes as well as lateral hires with experience in prominent institutions. We have a well-defined recruitment policy which lays out minimum standards that an employee should meet. In addition, prospective candidates are rated on multiple facets such as academic knowledge, qualifications, experience in the relevant field, communication skills, and other behavioural competencies. To boost retention, we have several employee welfare policies and schemes in place such as provident funds, gratuity, benevolent fund, National Pension Scheme, medical benefits, among others.

Our senior management has participated as speakers and panelists at domestic RE events such as India Energy Week – 2023, Uttar Pradesh Global Investors Summit – 2023 and Nature Nurture Exhibition-2023. Further, we have participated in several international events in 2023, such as the World Future Energy Summit – 2023 held in Abu Dhabi, Future Energy Asia – 2023 held in Bangkok, Intersolar Europe-2023 held in Munich, Asia Pacific Offshore Wind and Green Hydrogen Summit 2023, held in Melbourne, Australia and the AtoZero ASEAN Summit at IGEM 2023 held in Kuala Lumpur Convention Center, Malaysia, in order to showcase our brand at international platforms to highlight our contribution to India's rapid RE growth and enhance our brand visibility with potential international funding partners and investors.

Business Strategies

Maintain our leadership in RE sectors such as solar, wind, hydro power and biomass, biofuels and co-generation

The financing requirement for RE sectors such as solar and wind are set to expand prominently in line with the GoI target of 500 GW installed non-fossil fuel based power capacity by 2030. (*Source: CARE Report*) Compared to the solar potential of 749 GW, India had an installed capacity of only 72 GW as on September 2023. (*Source: CARE Report*) Hydro power capacity is expected to grow at a CAGR of 6.3% from Fiscal 2023 to Fiscal 2027, reaching 59.8 GW and in Fiscal 2032, the installed capacity is expected to reach 88.8 GW. (*Source: CARE Report*) We intend to play a critical role in meeting this financing requirement and enhance our market share in these areas.

We plan to continue launching financing products to meet the evolving needs of RE developers. For instance, business models are evolving dynamically in the solar and wind energy space with captive and merchant business models gaining prominence, which will require specialized financing products. We plan to enhance our presence in consortium financing to support the increasing size of utility scale solar and wind installations, particularly those proposed to be set up in hybrid or round-the-clock modes. We have already signed memoranda of understanding ("**MoUs**") dated September 5, 2023 with Union Bank of India and Bank of Baroda, dated September 4, 2023 with Indian Infrastructure Finance Company Limited, dated August 22, 2022 with Bank of India and dated September 18, 2023 with Bank of Maharashtra for co-origination and co-lending of RE projects. We may form partnerships with other financiers to originate and structure large project loans by leveraging our existing relationships with RE developers. In addition to ensuring participation in large scale project financing, consortium financing will also offer us the potential for an additional fee-based revenue stream. Certain project developers as well as financing entities look to us as a suitable lead for a lending consortium in view of our understanding of RE project nuances and our ability to structure tailored financing solutions. In addition, we intend to provide assistance to mature sectors seeking capital markets access to raise funding by offering products for securitization, InvIT financing, among others.

We also intend to pursue a state-focussed business development strategy leveraging our relationship with state governments to originate RE projects across India. Further, we will continue to leverage our advisory services and relationship with the GoI to originate projects with other public sector entities, such as the MoUs we have entered into with NHPC Limited, SJVN Limited, among others, to provide techno-commercial advisory services.

In addition, we have entered into MoUs for Fiscal 2024 and Fiscal with the MNRE setting forth certain targets that we will aim to achieve in the relevant year. These parameters include, but are not limited to, targets for revenue from operations, EBTDA as a percentage of revenue, return on net worth, return on capital employed, NPA to total loans and earning per share. Each parameter has a designated weightage, and we will be scored on the basis of achievement of the relevant targets.

Leverage our industry expertise to enhance our presence in new and emerging green technologies

The total potential of renewable power in India is estimated to be 1,639 GW as compared to installed capacity of 179 GW as of September 2023, and the installed capacity of renewable energy has grown by 92 GW over Fiscal 2015 to Fiscal 2023, implying a CAGR of around 10%. (*Source: CARE Report*) We plan to capitalize on this opportunity by drawing on our extensive industry experience, relationships with existing customers and our brand equity. Further, we anticipate potentially higher yield loan assets in new and emerging spaces, which is likely to benefit our results of operations.

We have identified the following key areas for diversification and expansion which are in line with the focus areas of the Government of India: (*Source: CARE Report*)

(i) *Green hydrogen and its derivatives (including manufacturing):* The GoI has announced the National Green Hydrogen Mission with an objective to make India a global hub for production, usage and export of green hydrogen and its derivatives and approved an outlay of ₹190 billion to help achieve an annual production target of 5 MMT by 2030 for facilitating the net-zero target; (*Source: CARE Report*)

(ii) *Pumped hydro storage power plants*: Pumped hydro storage, where water is pumped uphill into a reservoir and released to power turbines when needed, has been identified to have a potential of 96,529 MW in India as per the Central Electricity Authority. (*Source: CARE Report*)

(iii) *Battery storage value chain (including manufacturing, storage, recycling)*: NITI Aayog estimates the market size of battery sector to be around ₹163.8 billion in Fiscal 2022 and in the accelerated case scenario, the market size for stationery and mobile batteries could surpass ₹491.4 billion by 2026 and ₹1,228 billion by 2030. An investment of ₹3,493 million will be required between Fiscal 2024 and Fiscal 2032 to achieve the above battery storage requirement; (*Source: CARE Report*)

(iv) *Offshore wind*: The MNRE has set a target of 30 GW by 2030 for offshore wind energy, which is intended to provide confidence to project developers in India; (*Source: CARE Report*)

(v) *Green energy corridor:* The green energy corridor scheme was launched in 2015 for setting up of transmission and evacuation infrastructure to facilitate evacuation of electricity from renewable energy projects and the intra-state transmission system projects has been sanctioned to eight renewable energy states for evacuation of over 20,000 MW of renewable energy; (*Source: CARE Report*)

(vi) *Rooftop solar power:* Phase-I of this initiative offered incentives and subsidies for the residential, institutional, and social sectors, while achievement-based incentives were also offered for the government sector. Phase-II began in February 2019 with the goal of reaching a total capacity of 40,000 MW by 2022 with approximately 3.7 GW of capacity built so far, with another 2.6 GW under construction in the residential market. Central Financial Assistance is provided at 40% for systems up to 3 kW capacity and 20% for systems with capacities more than 3 kW; (*Source: CARE Report*) and

(vii) *Green mobility value chain (fuel cells, charging infrastructure):* The GoI has set a target to achieve 100% electric mobility for public transport and 40% electrification of private vehicles by 2030. The current market size of electric two-wheelers, electric three-wheelers and electric four-wheelers is estimated to be approximately ₹90 billion, ₹100 billion and ₹85 billion, respectively. Sales across each EV segment is expected to clock strong growth going forward owing to the government's push towards green mobility. (*Source: CARE Report*)

We have established a dedicated team for business development and appraisal of projects in new and emerging RE sectors and launched products for these sectors. We have commenced financing for projects in green mobility, solar rooftop, and green energy corridor sectors and are evaluating proposals across other emerging areas such as green hydrogen and battery energy storage system.

Certain new RE sectors such as rooftop solar power and green mobility are likely to be consumer facing in nature, compared to business-owned utility-scale RE projects. To cater to the financing needs of this segment, we have already launched products for on-lending to consumer-facing NBFCs. We plan to further enhance our offerings for NBFCs to grow in this space.

We have been continuously investing in the capability development of our employees through training in new green technologies and innovative financing structures. Our employees cumulatively completed over 1,670 days of training from distinguished academics and professionals in Fiscal 2023. Our team is working to develop an evolved understanding of material risks for each new RE sector across key risk areas including construction and EPC issues, technology risk, and market/offtake certainty. We intend to set up appropriate and comprehensive checks for the high materiality risk triggers for each sector to ensure robustness of our appraisal checks.

We have a dedicated review and monitoring cell which tracks project performance and adherence to loan agreement covenants on a regular basis and holds structured fortnightly reviews to identify and resolve credit impaired accounts. To ensure that we build the requisite appraisal capabilities for new and emerging RE sectors, we plan to incorporate additional specific key risk indicators for projects in these sectors under our monitoring metrics.

Accordingly, we aim to maintain a robust asset book in new and emerging areas through a dual approach of adopting a data-informed and comprehensive appraisal process, as well as a systematic monitoring mechanism that is able to track key risk indicators.

We may choose to leverage our experience in RE projects to form, manage and participate in trusts, funds or factoring business, and to act as administrators, managers, sponsors or authors of entities that are engaged in RE activities such as green mobility solutions, waste management, carbon-offset solutions, water and drought management, energy transition, among others.

Optimize borrowing costs to enhance competitiveness and profitability

Our average cost of borrowings enables competitive pricing of our financial products, which in turn enables us to grow our business, attract quality borrowers and optimize profitability. Our average cost of borrowings in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 was 7.15%, 6.33%, 6.23%, 3.22% and 3.82%, respectively. Our cost of funds is due to several factors, primarily our credit ratings, strong financial performance, high asset quality and sovereign-owned status, as well as our success in diversifying our sources of borrowing. We will continue to focus on identifying new sources of funding and enhancing limits for existing competitively priced sources to further lower borrowing costs and meet the long tenor requirements of our asset base. We will leverage our credit reputation to negotiate lower cost of term loans from bank and lower realization on our medium-term and long-term capital market issuances.

We are India's largest pure-play green financing NBFC (*Source: CARE Report*) and intend to leverage this position to raise green or sustainable bonds in international and domestic markets.

We already have strong relationships with international multilateral financing institutions and development finance institutions and a demonstrated history of effectively utilizing green grants and loans, which we plan to capitalize on to draw new lines of funding. These institutions offer long tenor financing, which will help us maintain a positive inflow position.

We will also continue to undertake periodic reviews for our strategic liability mix based on existing repo rate cycle, government security yields, international interest rate benchmarks such as the Secured Overnight Financing Rate, London Interbank Offer Rate and Euro Interbank Offered Rate prevalent exchange rates, and comparative cost of different funding sources to optimize our funding cost.

Streamline operating model to continue to support non-linear growth

While we have initiated a digital transformation process in order to streamline our operations, we intend to continue investing in digital offerings that are scalable, improve the customer experience and improve our profitability. Our digital strategy has many facets, including further scaling up our automation and analytics capabilities and incentivizing the use of digital channels through the life cycle of a loan. We plan to ensure that our information technology systems continue to help us with several functions, including loan origination, credit underwriting, collections and customer service. We intend to build on system-driven credit appraisal models for new and emerging areas in line with existing models. Further, a key focus area will be to increase data-driven analytics to further automate early risk identification in projects. As we scale up our operations, we intend to be dynamic in our interactions with technology, and increase our ease of doing business by adopting digitization through processes such as automated case allocation and management mechanisms, autofill options for smoother customer onboarding, among others.

A key focus of our operating model, in addition to technology, is grooming young leaders who will be equipped to expand and grow our operations in the wider RE space. Through our training initiatives, technological capacity and focus on non-linear growth, we intend to grow from the bottom-up, with skilled personnel and knowledgeable leaders in RE financing, who will be able to lead us dynamically and increase our efficiency.

Continue to focus on the Environmental and Social Management System

As a key player in the RE sector and as a responsible financial institution, we have adopted a comprehensive Environmental and Social Management System ("**ESMS**") to identify and mitigate the impacts, if any, of the projects funded by us on the environment and society at large. We endeavour to be compliant with global standards for our ESMS, as sustainability is at the core of our operations.

We carry out environment and social screening of eligible projects and categorize these based on severity of impact envisaged in parallel with our loan appraisal process. In Fiscal 2023 and in the six months ended September 30, 2023, we have carried out environment and social screening and categorization of about 85 and 39 projects, respectively. In Fiscal 2023, we have updated the 'Environmental and Social Management Framework – RE Parks' under the World Bank Line of Credit under the Shared Infrastructure for Solar Parks Project, which aims to increase RE generation capacity by setting up large-scale RE parks.

We intend to work proactively in partnership with the energy ecosystem stakeholders to develop and deepen the energy markets. As we continue to focus on maintaining transparency and business integrity while driving our environmental, social and governance ambitions, we intend to make voluntary disclosures and reports in line with business responsibility and sustainability reporting norms globally.

Business Operations

We provide financial products and related services for solar power, wind power, hydro power, biomass including bagasse and industrial co-generation, waste-to-energy, ethanol, compressed biogas, EEC and green-mobility. We also have financial products and schemes for new and emerging RE technologies such as battery energy storage systems, green hydrogen, biofuel, alternative fuel and hybrid projects with RE technologies.

We operate from our registered office, corporate office and business centre in New Delhi. Our branch offices are located in Mumbai, Chennai, Bhubaneshwar and Hyderabad. We also have on-ground personnel deployed at Guwahati and Bengaluru.

Our products and services are organized primarily in the following segments:

Fund Based Products

As of September 30, 2023, we offered the following financial products:

- Term loans for RE generation, manufacturing projects and EEC projects;
- Project specific funding;
- Takeover financing from banks and financial institutions;
- Short term loans to RE developers, suppliers, contractors and manufacturers;
- Term loan facility to government bodies, DISCOMs, transport companies and state-owned trading companies;
- Guaranteed Emergency Credit Line;
- Co-financing, underwriting of debt, loan syndication and consortium financing;
- Bridge loan assistance to RE developers against capital subsidies or VGF available under various state or GoI schemes;
- Loan against securitization of future cash flows;
- Line of credit to NBFCs for on- lending to RE and EEC projects;
- Financing rooftop solar PV grid-connected or interactive power projects (industrial, commercial and

institutional);

- Financing of transmission projects;
- Top-up loan;
- Financing manufacturing of biomass pellets, briquettes, torrefied pellets and refuse derived fuels;
- Financing of new ethanol distilleries and expansion of distillery production;
- Financing new technologies and funding of green mobility segment;
- Financing for compressed bio-gas under Sustainable Alternative Towards Affordable Transportation Scheme;
- Special products for funding RE project through bonds, banks loans and other financial instruments; and
- Refinancing of loans.

Details of the Fund Based Products

Term loans for RE generation, manufacturing projects and EEC projects

We provide term loans for RE generation, manufacturing projects and EEC projects. For project loans, we generally disburse funds through trust and retention accounts.

We obtain security by way of a mortgage on project land and buildings and hypothecation of project assets, including plant and machinery. In addition, we often seek additional security through a charge on assets, pledge of shares held by promoters, personal guarantees and corporate guarantees. We also obtain undertakings or commitments from our borrowers for deposit of sale proceeds of power directly into trust and retention accounts and endeavour to take letters from off-takers to ensure that there is no diversion of revenue and that the entire sales proceeds are utilized in an appropriate manner. For further information, see *"Our Business – Risk Management – Credit Risk – Security Arrangements"* on page 256.

We conduct credit rating reviews for all grid connected projects and provide grading in a band of five grades (I, II, III, IV and V) based on the risk assessment. The interest rates are linked with the grades. The interest rates are fixed by an internal committee for fixing interest rates from time to time based on market conditions. Interest rates on term loans are notified to borrowers from time to time.

The interest rate is subject to reset on commissioning of the project on one year from the date of first disbursement, whichever is earlier and thereafter annually. In case of projects commissioned prior to first disbursement, the first reset will be one year from the date of first disbursement.

*Project Specific Funding ("**PSF**")*

We provide short and medium-term loans to meet immediate funding requirements for implementation of specific projects and contracts. Repayment of PSF loans is linked with the payment terms and milestones of the project supply contract between EPC contractors and project developers, which in turn will be linked to the project's scheduled commercial operation date or commercial operation.

Takeover financing from banks and financial institutions

We take over loans of projects that were earlier financed by other lenders.

Short term loans to RE energy developers, suppliers, contractors and manufacturers

We provide short-term loans to developers, suppliers, contractors and manufacturers to meet their immediate funding requirements towards project development, implementation and operations of RE projects.

Term loan facility to government bodies, DISCOMs, transport companies and state-owned trading companies

We provide term loans of a tenure of up to five years (excluding moratorium of up to one year) to meet renewable purchase obligations, for procurement of RE power, payment to RE generators, setting up RE infrastructure such as transmission lines, and similar purposes.

Guaranteed Emergency Credit Line

We are a registered member lending institution for providing term loans to existing borrowers under Guaranteed Emergency Credit Line Scheme. The loans under this scheme are fully guaranteed by the National Credit Guarantee Trustee Company which is a wholly owned company of the GoI set up to act as a common trustee company for multiple credit guarantee funds.

Co-financing, underwriting of debt, loan syndication and consortium financing

We underwrite or syndicate loans and participate in co-financing and consortium financing, which offers us an additional fee-based revenue stream.

Bridge loan assistance to RE developers against capital subsidies or VGF available under various state or GoI schemes

We provide bridge loans for meeting immediate monetary requirements towards implementation and operation of RE projects to bridge the gap till such time as the assigned capital subsidies or VGF under GoI or state government schemes are made available or released to the developers.

Loan against securitization of future cash flows

We provide loans extending up to 15 years against securitization of future cash flows of operating RE projects at an interest rate of 1.25% above the applicable rate as per the risk rating model, which can be used for future business expansion in RE and EEC sectors.

Line of credit to NBFCs for on- lending to RE and EEC projects

We provide lines of credit to profit making NBFCs with repayment period up to 10 years (excluding a moratorium of one year) for lending to RE and EEC projects. The NBFCs should have at least “AA+” rating and in case of private sector financial institutions and companies, they should also have valid registration with the RBI. A commitment fee of 0.25% per annum is applicable and the interest rate is linked with Grade I of state sector borrowers, but in any case, shall will not be less than the base rate and an additional 1%. In case of GoI NBFCs or financial institutions, a rebate of 0.50% per annum to the interest rate is applicable.

Financing rooftop solar PV grid-connected or interactive power projects (industrial, commercial and institutional

Our loan scheme for financing rooftop solar grid connected/interactive power projects is available for all grid connected and interactive solar photovoltaic projects located on rooftops. Financing is also available to either a single project or aggregated multiple projects for a period of up to 15 years.

Financing of transmission projects

We finance the implementation of eligible transmission projects across the country for the purpose of evacuation of power. The eligible projects are categorized into (i) energy loss savers, (ii) ancillary services, and (iii) green energy carriers. Loans are provided of up to 90% of the project cost for government entities and up to 80% of the project cost for private entities.

Top-up loan

The purpose of our top-up loan schemes is to create a facility for existing borrowers of our Company that allows them to borrow a certain amount of money over and above their main loan outstanding, for the purpose of construction of their project, to meet equity funding for a new RE project, or for other activities related to RE and to meet their liquidity requirements.

Financing manufacturing of biomass pellets, briquettes, torrefied pellets and refuse derived fuels

The purpose of this financing scheme is to provide financial assistance for setting up of facilities for the manufacture of biomass pellets, briquettes, torrefied pellets and refuse derived fuels, which in turn promote processing of agriculture crop residues and municipal solid waste in an economical and environmentally sustainable way.

Financing of new ethanol distilleries and expansion of distillery production

We offer a financing scheme for setting up of new distilleries and expansion of existing distilleries for the production of first generation ethanol using sugarcane juice, sugar, sugar syrup, B-heavy molasses, C-heavy molasses or damaged food grains. Ethanol is then blended with petroleum for reduction in pollution levels.

Financing new technologies and funding of green mobility segment

The main objective of this scheme is to provide financial assistance towards new and emerging segments such as e-mobility including charging infrastructure and manufacturing, waste recycling units to meet the demands of the RE sector, manufacturing and assembling plants for electric mobility and battery energy storage systems and manufacturing of batteries and associated components, as well as green hydrogen.

Financing for compressed bio-gas under Sustainable Alternative Towards Affordable Transportation Scheme

The main objective of this scheme is to provide financial assistance towards setting up of compressed bio-gas projects under the Sustainable Alternative Towards Affordable Transportation Scheme on CBG, introduced by the Ministry of Petroleum and Natural Gas.

Special products for funding RE projects through bonds, banks loans and other financial instruments

We offer financial support through loans of minimum size of ₹5,000 million to fund commissioned RE projects at competitive rates by linking the rate with the relevant benchmarks, and through back-to-back fundraising by way of bonds, bank loans and other financial instruments. These are offered to borrowers with at least 75% commissioned projects having individual rating of 'A-' and above.

Refinancing of loans

We offer refinancing of existing loans to eligible commissioned projects not witnessing financial difficulty. These projects are generally commissioned and have generation track records, and, therefore, carry lower risk than new projects.

Non-fund Based Products and Services

We also provide non-fund based assistance including:

- Letters of comfort / undertaking;
- Guarantee schemes such as

  (i) Credit enhancement guarantee schemes,
  (ii) Guarantee assistance scheme to RE suppliers, manufacturers, developers and EPC contractors; and

- Consultancy services.

Letters of Comfort and Undertaking

We provide letters of comfort and undertaking against our sanctioned term loans to enable borrowers to obtain letters of credit from their bankers. The letters are issued where it is a requirement under EPCs or equipment supply contracts. A letter of comfort or undertaking is issued as part of disbursement, namely after compliance with stipulated pre-disbursement conditions. As of September 30, 2023, we had ₹ 4,096.32 million letters of comfort and undertakings outstanding.

Guarantee Schemes

As of September 30, 2023, we had total outstanding amounts aggregating to ₹ 2,246.53 million under the following guarantee schemes:

- *Credit Enhancement Guarantee Scheme*

Our credit enhancement guarantee scheme promotes and assists project developers to issue bonds for commissioned and operationally viable RE projects. To enhance the capital flow to the sector, we introduced our Credit Enhancement Guarantee Scheme for raising bonds towards RE projects. This scheme enhances the credit rating of bonds, thereby improving their marketability and liquidity and accordingly, allowing project developers to attract lower cost investments and longer tenure of funding.

- *Guarantee assistance scheme to RE suppliers, manufacturers, developers and EPC contractors*

We provide non-fund based assistance by way of extending guarantees, counter guarantees, payment on order instruments, among others, for performance of activities and contractual obligations of our borrowers related to RE projects. This facility is provided to profitable RE developers, suppliers, manufacturers and EPC contractors having an established track record of successful implementation of RE projects of not less than 50 MW capacity in India.

Consultancy Services

We offer consultancy services to other organisations and offer advisory services for techno commercial due diligence, financial feasibility assessment, performance monitoring of RE projects, capacity building and transaction advisory. In Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, our Company received consultancy fee of nil, ₹ 16.03 million, ₹ 2.37 million, ₹ 1.46 million and ₹ 1.56 million, respectively, for techno commercial consultancy.

The following table sets forth our loans sanctioned and loans disbursed by product category in each of the periods indicated:

Particulars	As of/ For the Year Ended March 31,						As of/ For the Six Months Ended September 30,			
	2021		2022		2023		2022		2023	
	Loans Sanctioned	Loans Disbursed(1)	Loans Sanctioned	Loans Disbursed(1)	Loans Sanctioned	Loans Disbursed(1)	Loans Sanctioned	Loans Disbursed(1)	Loans Sanctioned	Loans Disbursed(1)
	(₹ million)									
Term loans										
For projects(1)	26,522.63	25,721.62	49,881.54	24,251.39	181,492.60	95,784.66	93,543.35	18,980.26	22,985.73	27,938.26
For manufacturing(2)	8,304.90	814.72	10,249.90	2,698.38	16,928.60	10,043.00	7,928.60	5,729.64	5,774.90	12,730.11
Takeover financing(3)	14,016.76	11,682.51	51,398.70	46,086.18	68,798.59	50,471.89	5,486.77	7,724.76	7,315.50	12,304.97
Securitization of receivables	47.30	98.45	1135.00	665.00	2,660.00	2,604.00	-	-	934.00	311.00
Bridge Loans	108.14	40.00	-	-	-	-	-	-	-	-
Medium Term Loan to private sector	-	-	-	-	3,710.00	-	-	-	-	-
Project Specific Funding	-	-	600.00	600.00	3,280.00	-	-	-	1,410.00	3,120.00
Line of Credit	-	-	-	-	500.00	400.00	-	-	2,490.00	2,365.50
Transmission Line Projects	4,000.00	798.70	5,000.00	38.00	-	-	-	-	-	268.10
Total Term Loans	**52,999.73**	**39,156.00**	**118,265.14**	**74,338.95**	**277,369.79**	**159,303.55**	**106,958.72**	**32,434.66**	**40,910.13**	**59,037.94**
Short term loans – Private sector	6,734.90	5,275.83	8,942.60	1,415.70	8,491.76	6,545.42	695.30	606.50	2,800.00	3,694.58
Loan Facility to State Entities	40,420.00	42,400.00	108,600.00	82,050.00	37,500.00	49,500.00	10,000.00	7,000.00	-	-
Guaranteed Emergency Credit Line	2,065.52	1,451.70	2,600.98	2,903.56	984.51	1,043.15	-	21.90	-	-
Miscellaneous(4)	7,792.90	-	801.90	-	1,520.00	-	-	-	3,734.90	-
Total	**110,013.05**	**88,283.53**	**239,210.62**	**160,708.22**	**325,866.06**	**216,392.12**	**117,654.02**	**40,063.06**	**47,445.03**	**62,732.52**

Notes:

(1) Disbursement is for the respective period, including in connection with projects that may have been sanctioned previously.

(2) Includes takeover financing as well for sanctions in Fiscal 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023.

(3) Excludes manufacturing loans.

(4) Guarantee Loans, Letter of Comfort.

Loans and Financing by Sector Type

Wind

India is home to gross wind power potential of 302 GW at 100 metres and 696 GW at 120 metres above ground level. (*Source: CARE Report*) Further, the potential for off-shore wind energy is estimated to be 174 GW (technical resources) across fixed bottom and floating potential mainly off the coast of Gujarat and Tamil Nadu. (*Source: CARE Report*) In order to promote wind power generation in the country, we usually provide finance to wind power projects usually for 75% of total wind project cost and offer structured repayment schedules for a long-term tenure of up to 25 years at competitive interest rates.

Solar

India has immense solar energy potential, with approximately 5,000 trillion kWh per year energy incident over India's geographical area per year. (*Source: CARE Report*) Further, solar PV power can effectively be harnessed, providing huge scalability in India and at the same time, has the ability to generate power on a distributed basis and enables rapid capacity addition with short lead times. (*Source: CARE Report*) In order to promote solar generation in the country, we provide finance to grid-connected ground-mounted projects, grid-connected rooftop projects and off grid solar power projects. In case of a ground-mounted grid-connected project, we usually finance 75% of total solar project cost and offer structured repayment schedules for a long-term tenure of 15-20 years at competitive interest rates.

Hydro

Hydroelectric power is electricity produced from generators driven by turbines that convert the potential energy of falling water from rivers, rivulets, artificially created storage dams or canal drops into mechanical energy. (*Source: CARE Report*) Hydro power projects are classified as large and small hydro projects based on their sizes and in India, hydro power plants of 25MW or below capacity are classified as small hydro and comes within the purview of MNRE. (*Source: CARE Report*)

We have limited our exposure up to 50% of the project cost for greenfield large and medium hydro projects. However, loan exposure may be considered up to 70% of the project cost for small hydro projects upto 25 MW, with additional terms and conditions. Further, for takeover of commissioned small hydro projects with one full year of satisfactory operations, our loan may extend up to 75% of the capitalized project cost, and further up to 80% upon meeting specific criteria as per financing norms.

Energy Efficiency and Conservation

Energy efficiency is when specific energy consumption (units of energy consumed per unit of output) of a device or equipment is improved by changing the technology deployed. (*Source: CARE Report*) For energy conservation, the main technology of the device or equipment remain unchanged; however, the unproductive use of energy is minimized. (*Source: CARE Report*) We finance end-user energy efficiency retrofit projects, demand side management projects taken up by utilities, and projects promoted by energy service companies and power plants for the recovery of energy from exhaust gasses. We also extend line of credits to financial intermediaries to on-lend or lease energy saving equipment.

Biomass and Waste-to-energy

Biomass is the process by which agricultural waste is used for power generation or for biogas generation, where biomass includes rice husk, straw, cotton stalk, coconut shells, soya husk, de-oiled cakes, coffee waste, jute wastes, groundnut shells, saw dust, among others. (*Source: CARE Report*) Waste-to-energy projects use agricultural, industrial and urban wastes of renewable nature such as municipal solid wastes, vegetable and other market wastes, slaughterhouse waste, agricultural residues and industrial and sewage treatment plant wastes and effluent, animal waste for power generation or for biogas generation. (*Source: CARE Report*) The MNRE offers various subsidies for biomass projects. We limit our exposure to 50% of the total biomass power project cost and up to 70% for municipal solid waste based power project costs.

Ethanol

The GoI has advanced the target date for ethanol blended petrol from 2030 to 2025 for 20% ethanol blending to decrease the oil import burden. (*Source: CARE Report*) A successful 20% ethanol blending program can cut down on India's oil import bill and ethanol is also a less polluting fuel, and offers equivalent efficiency at lower cost than petrol. (*Source: CARE Report*) We provide finance up to 95% of the project cost for ethanol projects.

Emerging Technologies

Large scale integration of RE beyond the scope of meeting India's basic power sector requirement demands integration of clean energy usage in the industry and transport sector, necessitating the use of synthetic fuels, which are carbon neutral alternatives of conventional fuels. (*Source: CARE Report*) The GoI has also announced National Green Hydrogen Mission with an objective to make India a global hub for production, usage and export of green hydrogen and its derivatives and approved an outlay of ₹190 billion to help achieve an annual production target of 5 MMT by 2030 for facilitating the net-zero target. (*Source: CARE Report*) The GoI, in order to meet the ambitious target of 30% EV penetration by 2030, has announced battery swapping policy along with inter-operability standards to improve efficiency in the EV ecosystem while battery energy storage systems with a capacity of 4 GWh will be supported with viability gap funding to encourage investment. (*Source: CARE Report*)

We have a policy to fund new and emerging technologies like manufacturing of battery energy storage systems, production of green hydrogen, fuel cells and manufacturing or assembling plant of EVs and associated components, up to 70% of the project cost. Further, we have schemes to fund the green mobility segment and charging infrastructure up to 80% of the project cost.

Transmission

A transmission line is used for the transmission of electrical power from generating substation to the various distribution units. With the current growth trajectory of RE in last few years, coupled with GoI target of integrating 500 GW non-fossil based installed capacity by 2030, transmission planning has become even more essential to integrate and evacuate RE power. (*Source: CARE Report*) We provide funding of transmission projects up to 90% of the project cost to government entities and up to 80% of project cost to private sector entities.

*IREDA-National Clean Energy Fund ("**NCEF**") Refinancing Scheme*

Under the IREDA-NCEF Refinancing Scheme, we received ₹ 1,000 million which was utilized to refinance RE projects such as wind and solar projects. Subsequently, we received ₹ 2,000 million from NCEF, which in accordance with MNRE guidelines, is being utilised for the revival of the stressed projects under biomass power and small hydro power sector. Refinance not exceeding 30% of the loans outstanding for these projects in the books of scheduled commercial banks/ financial institutions would be made available to the projects at a rate of interest of 2% per annum is made available by our Company. However, the refinance amount does not exceed ₹ 150 million per project. The repayment period for the refinance amount should be co-terminus with the repayment period of the banks/ financial institutions for that project and the maximum repayment period shall be 10 years, in addition to the six months moratorium/ grace period from the date of disbursement by our Company.

Eligibility

Scheduled commercial banks and financial institutions would be eligible for refinance from under the NCEF scheme. Grant of refinance is at the sole discretion of our Company, and we also determine the availability and extent of refinance. The scheduled commercial banks / financial institutions shall be required to satisfy, inter alia, the following parameters to be eligible for availing refinance under the NCEF scheme: (i) They should be profit-making for the last three years and should have no accumulated losses; (ii) Gross NPAs as a percentage of gross advances should normally not exceed 5% for the entire portfolio of the lending institution. This condition will not be applicable to state/ central PSU banks, GoI NBFCs, GoI financial institutions; and (iii) The capital adequacy ratio should be in conformity with prescribed regulatory norms. There are also additional stipulations regarding the category of projects eligible for refinancing under the NCEF scheme, including inter alia projects whose viability has been affected in view of tariff or abnormal fuel cost escalation issues, those with a history of at least two years since commissioning, among others.

The credit risk of the loan to the consumer will be fully taken by the scheduled commercial bank/ financial institution. Refinance from our Company would be secured by charge on the book debts of the scheduled commercial bank / financial institution. Additional security such as charge on immovable properties / movable properties, guarantee of government, promoter, sponsor bank, among others, in favour of our Company may also be stipulated by us.

The following table sets forth our fund-based and non-fund based Loans Sanctioned and Loans Disbursed categorized by borrower type or type of sector, for the periods indicated.

Particulars	As of/ For the Year Ended March 31						As of/ For the Six Months Ended September 30,			
	2021		2022		2023		2022		2023	
	Loans Sanctioned	Loans Disbursed*	Loans Sanctioned	Loans Disbursed*	Loans Sanctioned	Loans Disbursed*	Loans Sanctioned	Loans Disbursed*	Loans Sanctioned	Loans Disbursed*
	(₹ million)									
Fund based										
Solar Energy	22,894.96	17,854.57	48,802.43	34,061.47	112,360.45	70,747.06	55,956.79	7,483.82	5,637.81	13,640.70
Loan facility to state utilities	40,420.00	42,400.00	108,600.00	81,250.00	37,500.00	49,500.00	10,000.00	7,000.00	-	-
Wind Power	5247.20	9,006.52	25,389.00	21,143.83	53,959.30	35,016.09	11,270.00	1,276.26	7,999.50	17,275.19
Hydro Power	8,068.24	6,829.09	21,690.40	11,950.88	43,101.70	17,312.35	11,728.80	12,771.12	4,939.50	5,632.82
Manufacturing	8,304.90	814.72	10,249.90	2,698.38	16,928.60	10,043.00	7,928.60	5,729.64	5,774.90	12,730.11
Ethanol	1,230.50	1,310.40	3,070.60	2,052.00	25,713.35	11,305.22	5,678.75	1,642.01	11,379.80	4,631.80
Biomass Power and Co-generation	1,468.69	410.27	427.91	92.38	68.40	239.75	-	295.00	1,000.00	950.00
Hybrid Wind and Solar	-	625.00	-	255.30	16,514.70	10,067.50	13,014.70	1,900.00	-	-
Short term loans to Private entities	6,734.90	5,095.50	8,942.60	1,981.50	8,491.76	6,545.42	695.30	606.50	2,800.00	3,694.58
Waste-to-Energy	930.10	1,471.70	-	1,072.02	809.40	657.43	399.36	121.90	690.00	165.00
EV	-	-	2,677.90	357.05	3,025.70	3,320.20	-	1,071.15	-	1,232.09
Guaranteed Emergency Credit Line	2,065.52	1,451.70	2,600.98	2,903.56	984.50	1,043.14	-	21.90	-	-
Miscellaneous[(1)]	4,647.90	798.70	5,000.00	38.02	3,710.00	-	-	-	2,490.00	2,633.60
EEC	99.10	141.60	957.00	778.50	-	64.90	-	60.90	-	-
Biomass (Briquetting, Gasification and Methanation from Industrial Effluents)	-	33.76	-	73.32	1,178.20	530.06	981.72	82.86	998.62	146.63
National Clean Energy Fund	-	-	-	-	-	-	-	-	-	-
Bridge Loan	108.14	40.00	-	-	-	-	-	-	-	-
Non fund based										
Guarantee assistance and Letter of comfort	7,792.90	-	801.90	-	1520.00	-	-	-	3,734.90	-
Total	**110,013.05**	**88,283.53**	**239,210.62**	**160,708.22**	**325866.06**	**216,392.12**	**117,654.02**	**40,063.06**	**47,445.03**	**62,732.52**

** Disbursement is for the respective period, including in connection with projects that may have been sanctioned previously.*
(1)Miscellaneous includes Transmission, line of credit etc.

Borrowers

We monitor concentration of exposures to our borrowers, and we calculate borrower exposure as required by the RBI.

Set forth below are details regarding our exposure to our 20 largest borrowers and our largest borrower, as of each of the corresponding dates:

	As of March 31,						As of September 30,			
	2021		2022		2023		2022		2023	
	Aggregate Exposure (₹ million)	% of Term Loans Outstanding (%)	Aggregate Exposure (₹ million)	% of Term Loans Outstanding (%)	Aggregate Exposure (₹ million)	% of Term Loans Outstanding (%)	Aggregate Exposure (₹ million)	% of Term Loans Outstanding (%)	Aggregate Exposure (₹ million)	% of Term Loans Outstanding (%)
20 Largest Borrowers	101,035.79	36.27%	149,437.12	44.04%	187,117.85	39.75%	139,102.78	41.17%	188,650.59	39.70%
Largest Borrower	12,562.50	4.51%	15,500.00	4.57%	22,090.53	4.69%	12,202.24	3.61%	18,333.33	3.86%

As of September 30, 2023, our loans to state and central government projects or entities represented approximately 23.01% of our total Term Loans Outstanding.

The following table sets forth, at the dates indicated, our fund-based Term Loans Outstanding categorized by borrower.

Category	As of March 31,						As of September 30,			
	2021		2022		2023		2022		2023	
	Term Loans Outstanding	% of Total Term Loans Outstanding	Term Loans Outstanding	% of Total Term Loans Outstanding	Term Loans Outstanding	% of Total Term Loans Outstanding	Term Loans Outstanding	% of Total Term Loans Outstanding	Term Loans Outstanding	% of Total Term Loans Outstanding
	(in ₹ million, except percentages)									
Private	209,294.64	75.14%	224,540.21	66.18%	344,355.68	73.15%	243,139.27	71.97%	365,796.33	76.99%
Public Sector	69,244.57	24.86%	114,765.85	33.82%	126,399.53	26.85%	94,694.32	28.03%	109,348.50	23.01%
Total	**278,539.21**	**100.00%**	**339,306.06**	**100.00%**	**470,755.21**	**100.00%**	**337,833.59**	**100.00%**	**475,144.83**	**100.00%**

Geographic Spread

As of September 30, 2023, we had Term Loans Outstanding in 23 States and five Union Territories. Set forth below is a table showing the total Term Loans Outstanding made to borrowers in States and Union Territories where the totals of those loans exceeded 1% of our Term Loans Outstanding, as of September 30, 2023.

State	Number of Projects Financed	Term Loans Outstanding as of September 30, 2023 *(in ₹ million)*	Percentage of Term Loans Outstanding
Rajasthan	17	73,628.39	15.50%
Karnataka	70	65,580.97	13.81%
Andhra Pradesh	39	64,899.19	13.66%
Gujarat	35	46,831.28	9.86%
Maharashtra	45	37,490.51	7.89%
Telangana	29	30,581.11	6.44%
Tamil Nadu	33	27,866.71	5.87%
Madhya Pradesh	13	21,321.63	4.49%
Uttarakhand	22	16,703.28	3.52%
Others	10	12,893.47	2.71%
Odisha	11	10,532.70	2.22%
Himachal Pradesh	24	10,397.38	2.19%
Uttar Pradesh	17	9,791.94	2.06%
Punjab	15	9,179.31	1.93%
Sikkim	1	7,442.68	1.57%
Kerala	5	6,105.90	1.29%
Haryana	7	5,065.45	1.07%

Note:
(1) Others includes projects which are spread across multiple states, and where parts of the project are located across territories such that it is not possible to attribute the project to one state.

Our Lending Policies and Procedures

We have a detailed business process in place for providing financing to specific projects under various schemes for the generation of energy through new and renewable sources of energy and for energy conservation projects. The amount of funding that we currently grant to various projects, as a percentage of project costs, is set out below, as well as the average tenure of such project loans:

Type of Project	Loan Funding as a Percentage of Project Cost	Maximum Loan Tenure
Wind Power	Up to 80%	25 years(1)
Solar Energy	Up to 80%	25 years(1)
Hydro Power	Up to 80%	25 years(1)
Biomass-based Co-generation	Up to 50%	15 years
Waste-to-energy	Up to 70%	15 years
EEC	Up to 80%	15 years
Emerging Technologies	Up to 80%	20 years, with one year moratorium
Ethanol	Up to 95%	7 years
Transmission	Public sector (90%); Private sector (80%)	25 years(1)

Note:
(1) Total loan is to be amortized within 85% of the balance useful life period as per Central Electricity Regulatory Commission.

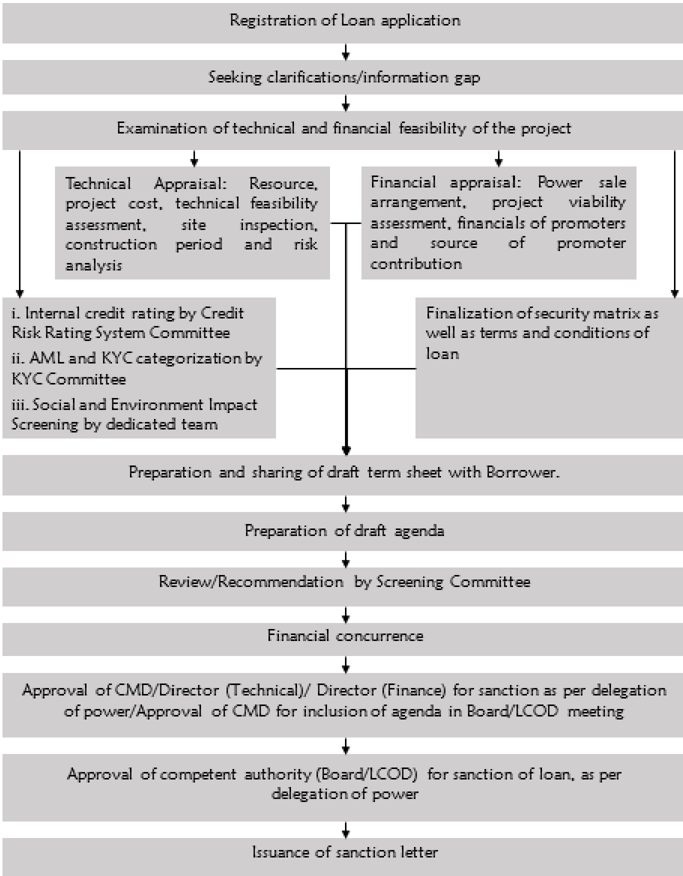
Our lending norms are generally as follows:

- Range of Interest rates: 8.65% to 12.10%;
- Moratorium: 6 months to 18 months from the date of commercial operation date; and
- Repayment period: up to 25 years.

Generally, we appraise the loan proposal by taking into account various factors including:

- Techno commercial viability of the project;
- Resource assessment;
- Assessment of infrastructure availability;
- Site specific conditions;
- Reasonability of project costs;
- Assessment of promoter/ contractors;
- Off-taker assessment and regulatory framework;
- Group exposure norms; and
- Environment and social screening.

Each RE proposal must meet the eligibility conditions as per the financing guidelines, updated from time to time. Set forth below is a summary of our sanctions process:



Our lending process primarily begins with receiving the loan application along with copies of detailed project report, memorandum of association and articles of association of the applicant, balance sheets, projected cash flows, approvals for setting up of the project, environmental clearance, etc.

The technical services department undertake due diligence and appraisal of the project. We also obtain information related to '*know your customer'* (KYC) of the promoters and the applicants in line with the RBI Guidelines. Relating to anti-money laundering measures. Site visits are also carried out to assess the site conditions and infrastructure availability for setting up the project. The Credit Information Bureau (India) Limited ("**CIBIL**") of the applicant and for their associates are obtained to assess credit history and credit worthiness of the applicant.

An internal rating is assigned by our credit risk rating system division using our CRRS software which aggregates scores of all relevant risk parameters to arrive at a composite credit risk score. Interest for the proposed loan is fixed at the interest rate prevalent for the assigned grade.

A screening committee deliberates on the appraisal and provides appropriate recommendation. Based on the recommendation of the screening committee, and financial concurrence by the Finance Department, the final appraisal report and agenda with detailed terms and conditions is put up for consideration of competent authority.

Loans are generally repaid in structured or equated monthly or quarterly instalments. Prepayment of the loan, ahead of the contracted schedule in part or full, is permitted.

Our Participation in Government of India Programs and Projects

The MNRE has initiated a number of programs aimed at accelerating the growth and development of RE projects in India. Currently, we play a key role in implementing or fund handling in connection with a number of programs and projects sponsored by the GoI as described below.

Generation Based Incentive ("GBI") Scheme

We are the program administrator on behalf of MNRE for implementation of GBI for Solar GBI scheme and Wind GBI Scheme:

Solar GBI

There are two schemes under Solar GBI: the Solar Demonstration GBI scheme and the Rooftop PV and Small Solar Power Generation Programme (the "**RPSSGP**") Scheme; The Solar Demonstration GBI Scheme was introduced in 2008 with the objective to develop and demonstrate the technical performance of grid interactive solar power generation and to achieve reduction in the cost of solar systems and the cost of solar generation in the country. (*Source: CARE Report*) Total GBI disbursed as of September 30, 2023 is ₹ 2,691.24 million.

The RPSSGP Scheme was introduced in 2010 with the objective to increase the capacity addition of Rooftop PV and small solar power plants. Under this scheme, 72 solar projects with total capacity of 91.8 MW were set up across 13 states, as of March 31, 2023. (*Source: CARE Report*)

Total GBI disbursed as of September 30, 2023 is ₹ 14,413.96 million.

Wind GBI

The wind GBI scheme was introduced with the objective to promote efficient technology by incentivizing the actual generation, broaden investor base and facilitate entry of FDI. It was introduced with a demonstration scheme in which total of 48.9 MW wind projects were registered for GBI against target of 49MW. With the success of this scheme, Wind GBI-I scheme and Wind GBI-II scheme were introduced by MNRE in 2009 and 2013 respectively with total commissioned capacity of 13,624.88 MW and 704 wind power projects registered under the schemes. (*Source: CARE Report*)

GBI disbursed under all the wind GBI schemes as of September 30, 2023 was ₹ 87,806.55 million.

CPSU Scheme Phase-II

The Cabinet Committee on Economic Affairs ("**CCEA**") has approved the MNRE's proposal for implementation of the CPSU Scheme Phase-II for setting up 12,000 MW grid-connected solar PV power projects with VGF support of ₹ 858 million for self-use or use by Government or Government entities, of both Central and State Governments. The scheme mandates the use of both solar PV cells and modules manufactured domestically as per specifications and testing requirements fixed by the MNRE. (*Source: CARE Report*)

The MNRE has entrusted our Company as an implementing agency with the task of managing the scheme on its behalf and the responsibility of selection of the solar power developers through VGF based bidding.

We will be eligible to receive 1% of the VGF amount disbursed as administrative charges in CPSU Scheme.

PLI Scheme – National Programme on High Efficiency Solar PV Modules

GOI has introduced the PLI Scheme to promote local manufacturing in the country. Of the 13 sectors for which PLI has been approved is 'High Efficiency Solar PV Modules' with MNRE as the designated ministry. MNRE has appointed us as the implementing agency for the PLI Scheme 'National Programme on High Efficiency Solar PV Modules' Tranche-1. The financial outlay for PLI for 'High Efficiency Solar PV Modules' Tranche-1 over a five-year period is ₹45 billion. (*Source: CARE Report*)

We will be eligible to receive 1% of the PLI amount disbursed as administrative charges.

National Bioenergy Programme

The National Bioenergy Programme was launched by the MNRE in November 2022 for the period from Fiscal 2022 to Fiscal 2026. The programme has been recommended for implementation in two phases. Phase-I of the programme has been approved with a budget outlay of ₹ 8,580.00 million. The National Bioenergy Programme comprises the following sub-schemes:

(i) Programme on Energy from Urban, Industrial and Agricultural Wastes/Residues:
(ii) Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based co-generation in Industries; and
(iii) Bio-gas programme.

The total outlay of the programme is ₹ 8.58 billion out of which our company has been designated as the Implementing Agency for the Programme on Energy from Urban, Industrial and Agricultural Wastes/Residues and the Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based co-generation in Industries for ₹ 7.58 billion. (*Source: CARE Report*) As the implementing agency, our Company shall receive a service charge at the rate of 1% of total central financial assistance for examining and processing the central financial assistance applications received in BioURJA portal and forwarding suitable applications to the MNRE for issue of in-principle approval.

Our 50 MW Solar Photovoltaic Project

As part of our diversification strategy, we have setup a 50 MW Solar Photovoltaic project in Kasaragod Solar Park in the State of Kerala. The project is 100% owned by our Company and generates power which is injected into the grid of Kerala State Electricity Board. The project was commissioned in September 2017. We have executed an operations and maintenance agreement with a third party for the project. For further information, see "*Risk Factors – We operate a 50 MW solar project in Kerala which may be subject to tariff changes by Kerala State Electricity Regulatory Commission ("KSERC"), which, among other factors, may adversely affect the viability of the project. Revenue from the solar project has decreased from ₹ 284.90 million in Fiscal 2022 to ₹ 269.04 million in Fiscal 2023*" on page 51.

In Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, our 50 MW Solar Photovoltaic Project generated revenue of ₹ 274.17 million, ₹ 284.90 million, ₹ 269.04 million, ₹ 118.34 million and ₹ 139.80 million, respectively.

Our Sources of Funding

As of the date of this Prospectus, our paid-up equity share capital is ₹ 22,846.00 million. We also fund our business with borrowings of various maturities from the domestic and international markets. Our market borrowings include, among others, taxable and tax-free bonds, foreign currency lines of credits from multilateral and bilateral agencies, borrowings from domestic banks and financial institutions as well as external commercial borrowings.

The following table sets out our sources of funding as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023:

Particulars(3)	As of March 31,									As of September 30, 2022			As of September 30, 2023		
	2021			2022			2023								
	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings
Borrowings from domestic banks and financial institutions	33,849.51	14.10%	5.57%	70,429.84	25.51%	5.26%	184,920.79	46.04%	4.74%	87,664.37	29.00%	2.68%	179,297.92	44.99%	3.64%
Borrowings from international banks and financial institutions	103,180.11	42.99%	6.93%	104,320.31	37.78%	5.62%	101,329.27	25.23%	6.89%	99,826.70	33.02%	3.23%	96,857.68	24.31%	3.69%
Taxable bonds (non-convertible)	44,169.28	18.40%	8.22%	45,230.14	16.38%	8.12%	80,856.29	20.13%	7.28%	60,711.71	20.08%	3.51%	87,850.43	22.05%	3.82%
Tax-free bonds (non-	27,576.54	11.49%	7.80%	27,576.54	9.99%	7.79%	27,576.54	6.87%	7.78%	27,576.55	9.12%	3.91%	27,576.55	6.92%	3.91%

Particulars[3]	As of March 31,									As of September 30, 2022			As of September 30, 2023		
	2021			2022			2023								
	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings	Amount (in ₹ million)	% of Total Borrowings	Average cost of borrowings
convertible)															
External commercial borrowings[1]	19,456.79	8.11%	7.15%	19,484.70	7.06%	7.14%	-	-	-	19,499.21	6.45%	3.57%	-	-	-
Subordinated debt[2]	6,491.92	2.70%	12.17%	6,492.60	2.35%	8.09%	6,493.33	1.62%	8.09%	6,492.96	2.15%	4.06%	6,493.73	1.63%	4.05%
Borrowings from banks – repayable on demand	4,601.60	1.92%	0.08%	2,014.42	0.73%	1.93%	-	-	-	-	-	-	-	-	-
National Clean Energy Fund	674.29	0.28%	0.00%	582.17	0.21%	0.00%	476.58	0.12%	0.00%	532.13	0.18%	0.00%	425.62	0.10%	0.00%
Total	**240,000.04**	**100.00**	**7.15%**	**276,130.72**	**100.00%**	**6.33%**	**401,652.80**	**100.00%**	**6.23%**	**302,303.63**	**100.00%**	**3.22%**	**398,501.93**	**100.00%**	**3.82%**

Notes:

(1) *Masala bonds issued are External Commercial Borrowings. These were redeemed in October 2022.* Set forth below are their credit ratings as of the corresponding dates:

Rating Agency	As on March 31, 2021	As on March 31, 2022	As on September 30, 2022
Moody's	Baa3, Outlook Negative	Baa3, Outlook Stable	Baa3, Outlook Stable
Fitch	BBB-, Outlook Negative	BBB-, Outlook Negative	BBB−, Outlook Negative

(2) *Subordinated tier II taxable, unsecured bonds.*

(3) *The above source of funding has been shown at Amortised cost as per Ind AS.*

Set forth below is a break-down of our borrowings by tenor:

Source of Borrowings[3]	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Long term Borrowings (in ₹ million)	233,898.44	274,116.30	391,652.80	302,303.63	390,501.93
Long term Borrowings, as a percentage of total borrowings (%)	97.46%	99.27%	97.51%	100.00%	97.99%
Short term Borrowings[1] (in ₹ million)	6,101.60	2,014.42	10,000.00	-	8,000.00
Short term Borrowings, as a percentage of total borrowings (%)	2.54%	0.73%	2.49%	-	2.01%

(1) *Short term borrowings refer to borrowings with a tenor of less than one year.*

For further information on our outstanding borrowings as of September 30, 2023, see *"Financial Indebtedness"* on page 567.

Government Guarantees

The GoI has regularly provided us financial support in the form of guarantees for our borrowings from bilateral and multilateral agencies in past such as lines of credit from the World Bank, the Asian Development Bank, KFW, Japan International Cooperation Agency, European Investment Bank, and Agence Francaise De Developpement. For further information on such guarantees, see "*History and Certain Corporate Matters – Guarantees given by our Promoter Selling Shareholder*" on page 283.

Rupee borrowings

For details of our borrowings with Indian banks and financial institutions as of September 30, 2023, see *"Financial Indebtedness"* on page 567.

Domestic Rupee borrowings – Taxable and Tax-free bonds

We have ₹ 121,920.71 million taxable and tax-free bonds outstanding as of September 30, 2023, which includes ₹ 6,493.73 million of subordinated tier II bonds outstanding as of September 30, 2023. As of September 30, 2023, we have outstanding secured and unsecured, non-convertible, redeemable taxable and tax-free bonds under various series typically with a maturity period of more than three years to twenty years from the date of allotment and bearing an interest rate ranging from 5.98% to 9.23%. Our tax-free bonds were issued by way of private placements and public issuances and are currently listed on the whole sale debt market segment on BSE and NSE.

In Fiscal 2021, we issued ₹ 5,000.00 million of taxable unsecured subordinated Tier II bonds, and in Fiscal 2022, we raised ₹ 1,060.00 million by issuing taxable bonds and in Fiscal 2023 we issued unsecured taxable bonds aggregating to ₹ 38,634.00 million. In the six months ended September 30, 2023, we issued unsecured bonds aggregating to ₹ 10,000 million. Our outstanding bonds as of September 30, 2023 are summarized in the table below.

Bond Issuance	Series	Amount Issued (₹ million)	Amount Outstanding[1] as at September 30, 2023 (₹ million)	Year of Issue	Coupon Rate	Maturity Date	Credit Rating			
							ICRA limited	India Ratings Research Private Limited	CARE Edge Ratings Limited	Brickwork Ratings[2]
IREDA Taxable Bonds	IIIB	2,500.00	2,500.00	2010	9.02%	September 24, 2025	NR	NR	AA+ positive	AAA Stable
IREDA Taxable Bonds	VB	2,000.00	2,000.00	2013	8.49%	May 10, 2028	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIII C	360.00	360.00	2014	8.56%	March 27, 2029	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIII-1A	757.59	757.59	2014	8.16%	March 13, 2024	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIII-2A	1,230.77	1,230.77	2014	8.55%	March 13, 2029	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIII-3A	388.12	388.12	2014	8.55%	January 21, 2034	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIII-1B	1,052.91	1,052.91	2014	8.41%	March 13, 2024	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIII-2B	2,345.51	2,345.51	2014	8.80%	March 13, 2029	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIII-3B	1,441.64	1,441.64	2014	8.80%	January 21, 2034	NR	NR	AA+ positive	AAA Stable
IREDA Tax Free Bonds	XIV C	2,840.00	2,840.00	2015	7.17%	October 1, 2025	AAA Stable	AAA Stable	NR	NR
IREDA Tax Free Bonds	XIV-1A	1,088.91	1,088.91	2016	7.28%	January 21, 2026	AAA Stable	AAA Stable	NR	NR
IREDA Tax Free Bonds	XIV-2A	8,842.65	8,842.65	2016	7.49%	January 21, 2031	AAA Stable	AAA Stable	NR	NR
IREDA Tax Free Bonds	XIV-3A	364.44	364.44	2016	7.43%	January 21, 2036	AAA Stable	AAA Stable	NR	NR
IREDA Tax Free Bonds	XIV-1B	1,278.86	1,278.86	2016	7.53%	January 21, 2026	AAA Stable	AAA Stable	NR	NR
IREDA	XIV-	4,835.15	4,835.15	201	7.74%	January	AAA	AAA	NR	NR

Bond Issuance	Series	Amount Issued (₹ million)	Amount Outstanding(1) as at September 30, 2023 (₹ million)	Year of Issue	Coupon Rate	Maturity Date	Credit Rating			
							ICRA limited	India Ratings Research Private Limited	CARE Edge Ratings Limited	Brickwork Ratings (2)
Tax Free Bonds	2B			6		21, 2031	Stable	Stable		
IREDA Tax Free Bonds	XIV-3B	749.99	749.99	2016	7.68%	January 21, 2036	AAA Stable	AAA Stable	NR	NR
IREDA Taxable Green Bonds	VIA	2,000.00	2,000.00	2017	8.12%	March 24, 2027	AAA Stable	AAA Stable	AA+ positive	NR
IREDA Taxable Green Bonds	VIB	5,000.00	5,000.00	2017	8.05%	March 29, 2027	AAA Stable	AAA Stable	AA+ positive	NR
IREDA Green Taxable Bonds Series	VIIA	2,750.00	2,748.44	2019	8.51%	January 3, 2029	NR	AAA Stable	NR	AAA Stable
IREDA Green Taxable Bonds Series	VIIB	5,900.00	5,898.43	2019	8.47%	January 17, 2029	NR	AAA Stable	NR	AAA Stable
IREDA Taxable Unsecured Subordinated Tier II Bonds Series	VIII	1,500.00	1,497.91	2019	9.23%	February 22, 2029	NR	AAA Stable	NR	AAA Stable
IREDA Taxable Bonds	IX-A	10,000.00	9,998.29	2019	8.00%	September 24, 2029	NR	AAA Stable	NR	AAA Stable
IREDA Taxable Bonds	IX-B	8,030.00	8,026.66	2020	7.40%	March 3, 2030	NR	AAA Stable	NR	AAA Stable
IREDA Taxable Unsecured Subordinated Tier II Bonds Series	X	5,000.00	4,995.82	2020	7.74%	May 8, 2030	NR	AAA Stable	NR	AAA Stable
IREDA Taxable Unsecured Bonds Series	XI-A	1,060.00	1,059.95	2022	5.98%	April 16, 2025	AAA Stable	AAA Stable	AA+ positive	NR
IREDA Taxable Unsecured Bonds Series	XII-A	6,484.00	6,483.24	2022	7.46%	August 12, 2025	AAA Stable	AAA Stable	AA+ positive	NR
IREDA Taxable Unsecured Bonds Series	XII-B	12,000.00	11,998.30	2022	7.85%	October 12, 2032	AAA Stable	AAA Stable	AA+ positive	NR
IREDA	XII-	5,150.00	5,149.23	202	7.79%	Decembe	AAA	AAA	AA+	NR

Bond Issuance	Series	Amount Issued (₹ million)	Amount Outstanding[1] as at September 30, 2023 (₹ million)	Year of Issue	Coupon Rate	Maturity Date	Credit Rating			
							ICRA limited	India Ratings Research Private Limited	CARE Edge Ratings Limited	Brickwork Ratings [2]
Taxable Unsecured Bonds Series	C			2		r 7, 2032	Stable	Stable	positive	
IREDA Taxable Unsecured Bonds Series	XII-D	15,000.00	14,994.80	2023	7.94%	January 27, 2033	AAA Stable	AAA Stable	AA+ positive	NR
IREDA Taxable Unsecured Bonds Series	XV-A	10,000.00	9,993.10	2023	7.63%	August 11, 2033	AAA Stable	AAA Stable	NR	NR
Total		**121,950.54**	**121,920.71**							

NR – Not rated.

Note:

(1) Amount outstanding of bonds is net of unamortized issue expenses since transition to IND AS accounting which was April 1, 2018.

(2) In August 2023, Brickworks migrated our rating to 'Issuer Not Cooperating'. This was on account of an ongoing challenge to Brickwork's license, owing to which we sought information on the validity of the license before providing data. 'Issuer Not Cooperating' means the issuer has not provided data as sought by the credit rating agency for any reason.

Borrowings from Domestic Banks and Financial Institutions

We have the following outstanding secured borrowings from domestic banks and financial institutions as of September 30, 2023:

Bank/ Financial Institution	Amount sanctioned (₹ million)	Amount Outstanding[1] at September 30, 2023 (₹ million)	Date of sanction	Date of maturity of the loan drawn	Tenor[3]
State Bank of India T-1	10,000.00	1,499.96	February 21, 2019	June 22, 2024	Door to door tenure of 5 years 6 months
State Bank of India T-3	30,000.00	21,085.00	March 24, 2022	December 29, 2026	Door to door tenure of 5 years including moratorium of 3 months from first disbursement
Bank of India T-1	10,000.00	6,154.25	November 20, 2020	November 22, 2027	Door to door tenure of 7 years
Bank of India T-2	7,900.00	5,530.41	March 08, 2022	March 31, 2027	5 Years
Punjab National Bank T-2	6,000.10	4,875.00	September 20, 2021	December 21, 2026	5 years including moratorium period of 1 year
Bank of India T-3	11,000.00	9,777.78	July 05, 2022	September 30, 2027	5 Years
Punjab National Bank T-3	15,000.00	14,062.50	March 28, 2022	June 27, 2027	4 years 9 months including moratorium period of 1 year.
HDFC Bank T-3	2,500.00	1,875.00	December 14, 2022	December 31, 2025	3 Years
Central Bank of India T-1	10,000.00	7,500.00	September 22, 2022	September 29, 2025	3 Years

Bank/ Financial Institution	Amount sanctioned (₹ million)	Amount Outstanding[1] at September 30, 2023 (₹ million)	Date of sanction	Date of maturity of the loan drawn	Tenor[3]
HDFC Bank T-4	2,500.00	2,083.33	December 14, 2022	January 23, 2026	3 Years
State Bank of India T-4	25,000.00	22,916.67	September 21, 2022	April 22, 2026	Door to door tenure of 3 years and 3 months including moratorium of 3 months
Central Bank of India T-2	10,000.00	8,333.33	January 23, 2023	March 27, 2026	3 Years
Bank of India T-4	10,000.00	9,473.68	March 15, 2023	March 31, 2028	5 Years
National Bank for Financing Infrastructure and Development	30,000.00	18,000.00	March 06, 2023	June 30, 2029	Door to door tenure of 10 years including moratorium of 1 year from the date of the first disbursement[2]
Punjab National Bank T-4	15,000.00	290.00	February 06, 2023	December 31, 2023	2 Years 11 months including moratorium period of 3 months[2]
Indian Overseas Bank T-1	10,000.00	7,750.00	February 18, 2023	March 31, 2026	3 years
IDBI Bank	5,000.00	5,000.00	March 03, 2023	March 31, 2028	5 years including 6 month moratorium
HSBC	4,000.00	1,000.00	January 20, 2023	February 15, 2025	5 years tenor with 6 month moratorium[2]
Total	**213,900.10**	**147,206.91**			

Note:

(1) Amount outstanding of loans from Banks/Financial Institutions is net of unamortized issue expenses since transition to IND AS accounting which was April 1, 2018.

(2) Tenor of the loan is considering undrawn position as per the repayment schedule.

(3) Door-to-door tenor is a term used in ordinary banking parlance and refers to the entire life of the loan/facility which stretches from the period starting from first drawl under the facility and ending on the last repayment of the loan principal. The said period will include moratorium if applicable.

We have the following outstanding unsecured long term borrowings from domestic banks and financial institutions as of September 30, 2023:

Bank/ Financial Institution	Amount sanctioned (₹ million)	Amount Outstanding as at September 30, 2023 (₹ million)	Date of maturity of the loan drawn
India Infrastructure Finance Company Limited	20,000.00	20,000.00	March 26, 2024
Karnataka Bank	5,000.00	4,091.00	November 29, 2025
Total	**25,000.00**	**24,091.00**	

We have the following outstanding short term loans from domestic banks and financial institutions as of September 30, 2023:

(₹ million)

Bank	Amount sanctioned	Amount Outstanding as at September 30, 2023
IDBI Bank	5,000.00	5,000.00
IndusInd Bank	5,000.00	3,000.00
Total	**10,000.00**	**8,000.00**

We have tied up undrawn long term loans from domestic banks and financial institutions of ₹ 42,600.00 million as of September 30, 2023. We have also tied up working capital facilities in the form of cash credit, overdraft, short term loan and working capital demand loan, aggregating to ₹ 29,300.00 million as of September 30, 2023, of which ₹ 8,000.00 million was availed as of September 30, 2023.

International Borrowings from international banks and financial institutions

As of September 30, 2023, our outstanding foreign currency borrowings from multilateral and bilateral institutions was ₹ 96,857.68 million. These loans have a typical maturity period ranging from 12 years to 40 years from the date of disbursement and bear a fixed and floating interest rate. As of September 30, 2023, our foreign currency borrowings guaranteed by the GoI were ₹ 69,734.80 million and those on a non-sovereign basis were ₹ 27,122.88 million. Our international borrowings sources includes loans from the World Bank, the Asian Development Bank, KFW, Japan International Cooperation Agency, European Investment Bank and Agence Francaise Development.

Details of the borrowings in foreign currency which are outstanding as of September 30, 2023 are set forth below:

Lender/Line of Credit	Year of Signing Loan Agreement	Tenor (Number of years)	Amount Sanctioned (million)	Amount Outstanding (₹ million)
Kreditanstalt für Wiederaufbau ("**KFW**") I	1999	40	EUR 61.36	1,703.34
International Development Association-II	2000	35	USD 50.00	2,491.74
KFW III	2009	40	EUR 19.97	1,551.84
Agence Francaise Development I	2010	20	EUR 70.00	3,077.83
Japan International Cooperation Agency I	2011	30	JPY 30,000.00	14,701.16
Asian Development Bank II	2015	20	USD 200.00	12,735.56
Agence Francaise Development II	2014	15	EUR 100.00	5,276.27
European Investment Bank I	2014	20	EUR 200.00	14,232.51
Japan International Cooperation Agency II	2014	30	JPY 30,000.00	16,726.26
KFW V	2015	12	EUR 100.00	4,165.62
KFW VI	2016	12	EUR 20.00	1,256.46
International Bank for Reconstruction and Development-III (World Bank)	2017	19	USD 75.00	1,619.11
Clean Technology Fund (World Bank)	2017	40	USD 23.00	580.00
European Investment Bank-II	2018	15	EUR 150.00	13,932.79
KFW VII	2019	15	USD 222.82	2,807.19
Total				**96,857.68**

For details of our lines of credit and borrowing agreements with multilateral and bilateral institutions, see *"Financial Indebtedness"* on page 567. Our foreign currency sanctioned but unutilized lines of credit in foreign currency from multilateral and bilateral agencies as of September 30, 2023 is ₹ 3,310.17 million.

Our Credit Ratings

Our external credit ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. Rating agencies may reduce, or indicate their intention to reduce, the ratings at any time. The following table sets forth our credit ratings as of relevant dates for outstanding debt as of September 30, 2023:

Rating Agency	Instrument/Purpose/Issue	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at September 30, 2023
ICRA Limited	Tax−free bonds (₹ 20,000 million) Fiscal 2016 Series XIV (Public and Private Placement)	ICRA AA+ (Stable)	ICRA AA+ (Stable)	ICRA AAA Stable	ICRA AAA Stable

Rating Agency	Instrument/Purpose/Issue	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at September 30, 2023
	Taxable Green bonds (₹ 7,000 million) Fiscal 2017 Series VI−A and VI−B	ICRA AA+ (Stable)	ICRA AA+ (Stable)	ICRA AAA Stable	ICRA AAA Stable
	Taxable Unsecured Bonds XI A (₹ 1,060.00 million) Fiscal 2022	-	ICRA AA+ (Stable)	ICRA AAA Stable	ICRA AAA Stable
	Taxable Unsecured Bonds series XII A, B, C and D (₹ 38,634.00 million) Fiscal 2023	-	-	ICRA AAA Stable	ICRA AAA Stable
	GOI Fully Serviced Bonds (₹ 16,400 million) Fiscal 2017	AAA Stable	AAA Stable	AAA Stable	AAA Stable
India Ratings Research Private Limited	Tax−free bonds (₹ 20,000 million) Fiscal 2016 Series XIV (Public and Private Placement)	IND AA+ (Stable)	IND AA+ (Stable)	IND AA+ (Positive)	IND AAA (Stable)
	Taxable Green bonds (₹ 7,000 million) Fiscal 2017 Series VI−A and VI−B	IND AA+ (Stable)	IND AA+ (Stable)	IND AA+ (Positive)	IND AAA (Stable)
	Taxable Bonds (₹ 8,650 million) Fiscal 2019 Series VIIA and VIIB	IND AA+ (Stable)	IND AA+ (Stable)	IND AA+ (Positive)	IND AAA (Stable)
	Taxable Tier−II Sub Debt (₹ 1,500 million) Fiscal 2019 Series VIII	IND AA+ (Stable)	IND AA+ (Stable)	IND AA+ (Positive)	IND AAA (Stable)
	Taxable Bonds (₹ 18,030 million) Fiscal 2020 Series IX−A and IX−B	IND AA+ (Stable)	IND AA+ (Stable)	IND AA+ (Positive)	IND AAA (Stable)
	Taxable Tier−II Subordinated bonds (₹ 5,000.00 million) Fiscal 2021 Series X	IND AA+ (Stable)	IND AA+ (Stable)	IND AA+ (Positive)	IND AAA (Stable)
	Taxable Unsecured Bonds (₹ 1,060.00 million) Fiscal 2022	-	IND AA+ (Stable)	IND AA+/(Positive)	IND AAA (Stable)
	Taxable Unsecured Bonds series XII A, B, C and D (₹ 38,634.00 million) Fiscal 2023	-	-	IND AA+/ (Positive)	IND AAA (Stable)
	GOI Fully Serviced Bonds (₹ 16,400 million) Fiscal 2017	AAA Stable	AAA Stable	AAA Stable	AAA Stable
CARE Ratings Limited	Taxable Bonds Series III-B and V (₹ 4,500 million)	CARE AAA (CE), Stable	CARE AAA (CE), Stable	CARE AA+/(Positive)	CARE AA+(Positive)
	Tax Free Bonds Series−XIII Public and Private Placement (₹ 7,576.55 million) Fiscal 2014	CARE AAA (CE), Stable	CARE AAA (CE), Stable	CARE AA+/(Positive)	CARE AA+(Positive)
	Taxable Green bonds Series VIA and VIB (₹ 7,000 million) Fiscal 2017	CARE AA+, Stable	CARE AA+, Stable	CARE AA+/(Positive)	CARE AA+(Positive)
	Taxable Unsecured Bonds (₹ 1,060.00 million) Fiscal 2022	-	CARE AA+, Stable	CARE AA+/(Positive)	CARE AA+(Positive)
	Taxable Unsecured Bonds (₹ 38,634 million) Fiscal 2023 Series XII-A, B, C and D	-	-	-	CARE AA+(Positive)
	GOI Fully Serviced Bonds (₹ 16,400 million) Fiscal 2017	AAA Stable	AAA Stable	AAA Stable	AAA Stable
Brickwork Ratings*	Long Term Taxable Bonds Series III-B, IV and V (₹ 7,500 million)	BWR AAA (CE), Negative	BWR AAA (CE), Negative	BWR AAA (CE), Stable	BWR AAA Stable, migration to issuer NOT CO OPERATING category
	Tax Free Bonds Series−XIII Public and Private Placement (₹ 7,576.54 million) Fiscal 2014	BWR AAA (CE), Negative	BWR AAA (CE), Negative	BWR AAA (CE), Stable	BWR AAA Stable, migration to issuer NOT CO OPERATING category

Rating Agency	Instrument/Purpose/Issue	As at March 31, 2021	As at March 31, 2022	As at March 31, 2023	As at September 30, 2023
	Taxable Green Bonds (₹ 8,650 million) Fiscal 2020 Series VIIA and VIIB	BWR AAA, Negative Reaffirmed	BWR AAA, Negative Reaffirmed	BWR AAA, Stable Reaffirmed	BWR AAA Stable, migration to issuer NOT CO OPERATING category
	Taxable Tier–II Sub Debt (₹ 1,500 million) Fiscal 2019 Series VIII	BWR AAA, Negative	BWR AAA, Negative	BWR AAA, Stable	BWR AAA Stable, migration to issuer NOT CO OPERATING category
	Taxable Bonds (₹ 18,030 million) Fiscal 2020 Series IX–A and IX–B	BWR AAA, Negative	BWR AAA, Negative	BWR AAA, Stable	BWR AAA Stable, migration to issuer NOT CO OPERATING category
	Taxable Tier–II Subordinated-bond (₹ 5,000.00 million) Fiscal 2021 Series X	BWR AAA, Negative	BWR AAA, Negative	BWR AAA, Stable	BWR AAA Stable, migration to issuer NOT CO OPERATING category
	Term loan/Working capital loan rated ₹ 107,000 million. Details of the allocation: PNB Bank: ₹ 27,000 million SBI : ₹ 34,500 million. SMBC: ₹ 3,500 million RBL: ₹ 3,000 million Yes Bank: ₹ 5,000 million Bank of Baroda: ₹ 5,000 million Bank of India: ₹ 29,000 million	BWR AAA/ Negative	BWR AAA/ Negative	BWR AAA/Stable	BWR AAA Stable, Migration to ISSUER NOT COOPERATING category
Acuite Rating and Research	Term loan/Working capital loan rated ₹ 259,200.10 million. Details of the allocation: PNB Bank: ₹ 21,000 million SBI : ₹ 70,000 million. SMBC: ₹ 3,500 million RBL: ₹ 3,000 million Yes Bank: ₹ 7,000 million Bank of Baroda: ₹ 5,000 million Bank of India: ₹ 38,900 million Karnataka Bank: ₹ 5,000 million Central Bank of India: ₹ 20,000 million HDFC Bank: ₹ 5,800 million Indian Bank: ₹ 10,000 million Bank borrowing, Fiscal 2023: ₹ 70,000.10 million	-	-	ACUITE AAA Stable	ACUITE AAA Stable

**In August 2023, Brickworks migrated our rating to 'Issuer Not Cooperating'. This was on account of an ongoing challenge to Brickwork's license, owing to which we sought information on the validity of the license before providing data. 'Issuer Not Cooperating' means the issuer has not provided data as sought by the credit rating agency for any reason.*
Notes:
(i) ICRA Limited has rated Long Term bonds programme Fiscal 2024 of ₹ 215,000 million as ICRA AAA with Stable outlook.
(ii) India Ratings and Research Private Limited has rated Long Term bonds programme Fiscal 2024 of ₹ 215,000 million as IND AAA with Stable outlook.

For further information, see "*Risk Factors – Our credit ratings have been downgraded in the past. Any future downgrade in our credit ratings could adversely affect our business, results of operations and financial* *condition.*" on page 40.

Treasury

As of September 30, 2023, we had ₹ 3,694.24 million of surplus funds kept in fixed deposit receipts and balances maintained at various banks.

Capital Adequacy

We are a non-deposit taking systemically important NBFC. The RBI circular dated May 31, 2018 provides CRAR requirements for GoI owned NBFCs which is 15% by March 31, 2022. Our CRAR was 17.12%, 21.22%, 18.82%, 23.55% and 20.92% as of March 31, 2021, March 31, 2022, March 31, 2023, September 30, 2022 and September 30, 2023, respectively.

The following table sets out our capital adequacy ratios computed on the basis of applicable RBI requirements as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023:

	As of March 31,			As at September 30,	
	2021	2022	2023	2022	2023
Tier 1 Capital	12.91%	17.60%	15.71%	19.83%	18.08%
Tier 2 Capital	4.21%	3.62%	3.11%	3.72%	2.84%
CRAR	17.12%	21.22%	18.82%	23.55%	20.92%

Risk Management

We have focussed on developing comprehensive risk management policies and procedures. We place importance to actively managing and controlling our risk exposures. These processes include a detailed appraisal methodology, identification of risks and suitable structuring of credit risk mitigation measures.

We have set up a Risk Management Committee to monitor various risks, examine risk management policies and practices and initiate action for mitigation of risks relating to our operations.

As a financial institution, we are primarily exposed to the following types of risk: credit risk, market risk, foreign currency risk and operational risk described in further detail below.

Credit Risk

Credit risk involves the risk of loss arising from the diminution in credit quality of a borrower and the risk that the borrower will default on contractual repayments under a loan or an advance. We measure, monitor and manage credit risk at an individual borrower level and at the portfolio level. We follow a systematic institutional and project appraisal process to assess and mitigate credit risk. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. We have established a Screening Committee to ensure that credit risk is appropriately evaluated, discussed and recorded. We adhere to the Screening Committee's opinion for all loan/ credit proposals and the Chief Risk Officer is one of the integrated functionaries. The Screening Committee screens the credit proposal, including through a detailed discussion on the inherent risks. The Screening Committee, including the Chief Risk Officer, signs off on credit proposals in an advisory or recommendatory capacity after its initiation by the business sector. The appraisal or proposal note is then circulated to the competent authority along with the Screening Committee minutes. Each of the proposals under consideration for loan sanction is graded using our CRRS for determining its risk profile. The applicable interest rates are based upon the rating obtained by a proposal.

Our Screening Committee, comprising the General Manager (Finance and Accounts), General Manager (Technical Services), Head of Legal, Chief Risk Officer, and respective sector heads, as of the date of this Prospectus, reviews all credit appraisals of project proposals finalized by our technical services department incorporating therein the reports of the external credit rating agencies (if required). Our earnings depend on our ability to efficiently manage our credit risk. We have a Credit Risk Management Committee, which is responsible for overall review and control of credit quality arising out of the asset portfolio.

We follow the RBI guidelines and IND AS for asset classification, provisioning, income recognition, and asset concentration. The credit limit / exposure norms for single and group of borrowers is in line with the applicable RBI norms. As of September 30, 2023, the aggregate exposure to our 20 largest borrowers amounts to ₹ 188,650.59 million, representing 39.70% of our Term Loans Outstanding as of such date.

We undertake regular portfolio monitoring to mitigate credit risk. We have a comprehensive loan review and monitoring mechanism that captures aspects relating to project monitoring and tracking of loan applications during appraisal, sanction, documentation, disbursement, commissioning, and operation stages. We continuously monitor delays and/or default of borrowers and their recoverability. We have fortnightly review and monitoring of loan portfolio including NPA accounts for identification of incipient risk and timely initiation of recovery actions, wherever required. We examine the financial health of the borrower and the guarantees provided by them. We also monitor the trust and retention account. In case of any adverse situation/observation we take early resolutions actions such as meetings with borrower's power purchasers.

We conduct stakeholder meetings on a quarterly basis for feedback, and to disseminate information relating to the new initiates taken up by us, and for quick resolution of issues being faced by stakeholders.

To manage our credit risk, we have established maximum repayment periods for various kinds of projects, as set forth below:

Type of Project	Maximum Repayment Period
Wind, Solar, Hydro and Transmission	Repayment periods shall be up to 25 years, depending on the project cash flows, debt service coverage ratio of the project and other factors, and it shall be after the construction and moratorium, with a condition that we shall have the right to call option after 15 years of repayment. However, total loan to be amortized is within 85% of the balance useful life period as per Central Electricity Regulatory Commission.
For all other sectors	Up to 15 years depending on the project cash flows, debt service coverage ratio of the project, power purchase agreement and other factors.

The portfolio is monitored by way of various analyses consisting of:

- category-wise ageing analysis (i.e., number of days past due) of the outstanding portfolio;
- exposure concentration risk monitoring at individual project and promoter group level;
- early warning delinquency analysis; and
- historical case review on a periodical basis, including review of credit risks and operational risks.

A substantial amount of provisions have already been made for Stage-3 accounts in Fiscal 2023, amounting to ₹ 7,453.31 million. We have adequately provisioned for stressed loans, based on an Expected Credit Loss methodology, which takes into account the exposure at default, probability of default and loss given default and makes a case for accounting for the potential stress in a loan account on the conservative assumptions. Set forth below are our stage-wise PCR details in the corresponding periods:

Classification of Gross term loans outstanding	**As of March 31, 2021**			**As of March 31, 2022**			**As of March 31, 2023**		
	Term loan outstanding (₹ million)	**ECL provision (₹ million)**	**PCR (%)**	**Term loan outstanding (₹ million)**	**ECL provision (₹ million)**	**PCR (%)**	**Term loan outstanding (₹ million)**	**ECL provision (₹ million)**	**PCR (%)**
Stage-1 Loans	237,274.61	2,554.73	1.08%	294,254.14	4,971.09	1.69%	439,022.45	5,153.09	1.17%
Stage-2 Loans	16,386.24	3,229.48	19.71%	26,739.48	4,551.91	17.02%	16,197.62	4,918.36	30.36%
Stage-3 Loans	24,415.53	9,313.29	38.14%	17,682.54	7,328.64	41.45%	15,133.54	7,453.30	49.25%
Total*	**278,076.38**	**15,097.50**		**338,676.17**	**16,851.64**		**470,353.62**	**17,524.75**	
	Outstanding	**Provision**	**PCR**	**Outstanding**	**Provision**	**PCR**	**Outstanding**	**Provision**	**PCR**
***Excluding Funded Interest Term Loan (FITL) (including incidental charges)**	**462.83**	**453.56**	**98.00%**	**629.89**	**605.59**	**96.14%**	**401.59**	**388.24**	**96.68%**

Classification of Gross term loans outstanding	As of September 30, 2022			As of September 30, 2023		
	Term loan outstanding (₹ million)	ECL provision (₹ million)	PCR (%)	Term loan outstanding (₹ million)	ECL provision (₹ million)	PCR (%)
Stage-1 Loans	297,706.39	3,302.36	1.11%	443,169.30	3,379.38	0.76%
Stage-2 Loans	22,390.51	5,091.81	22.74%	16,139.65	5,845.49	36.22%
Stage-3 Loans	17,087.67	8,130.26	47.58%	14,860.81	7,150.05	48.11%
Total*	**337,184.57**	**16,524.43**		**474,169.76**	**16,374.92**	
	Outstanding	**Provision**	**PCR**	**Outstanding**	**Provision**	**PCR**
***Excluding Funded Interest Term Loan (FITL) (including incidental charges)**	**649.03**	**636.21**	**98.02%**	**975.07**	**970.75**	**99.56%**

Provision for credit risk on fund and non-fund based facilities

For the year ended March 31, 2023, we made a provision of ₹ 665.79 million towards impairment of financial assets, which included provision of ₹ 124.66 million towards Stage-3 loans and ₹ 507.56 million towards Stage-1 and Stage-2 (standard) loans. For the six months ended September 30, 2023, we made total reversal of ₹ 1,143.75 million towards impairment of financial assets, which included reversal of provision of ₹ 303.25 million towards Stage-3 loans and ₹ 846.59 million towards Stage-1 and Stage-2 (standard) loans, ₹ 10.99 million towards non-fund based exposure and made a provision of ₹ 17.07 million towards incidental expenses. We also had a provision of ₹ 15.11 million towards non-fund based exposures as of September 30, 2023. As on September 30, 2023 our provision coverage ratio was 48.11%.

For further information about the maturity profile of our assets and liabilities, see *"Selected Statistical Information – Non-Performing Assets"* beginning on page 312.

Recovery

Our recovery mechanism focuses on timely realization of principal and interest owed on our loans. We have a recovery manual setting forth our recovery practices and we have adopted a proactive multi-pronged approach to improve, as well as expedite recovery from NPAs. In the resolution of NPA assets, there is a significant portion which is affected by irregularities in receipt of power sale revenue leading to unstable health of loan. We utilize our business relationship with state DISCOMS to prioritize regular payments to developers. Instead of relying on standalone means of resolution under restructuring, resolution under the IBC, action and sale under SARFAESI, action under DRT, holistic review of promoter-led settlement offers, along with parallel recovery are evaluated. As a result, as of September 30, 2023, our GNPA was 3.13%and our NNPA was 1.65%.

With a focused approach, we were able to close or upgrade net 18 non-performing project loan accounts in Fiscal 2023 and one account in the six months ended September 30, 2023, thereby reducing our total number of NPA loan accounts to 63 as of September 30, 2023 from 64 as of March 31, 2023 and leading to a reduction of ₹ 272.73 million in our GNPAs.

Further, in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, we have recovered ₹ 3,422.45 million, ₹ 4,671.12 million, ₹ 2,024.34 million, ₹ 644.33 million and ₹ 498.43 million respectively, from NPA accounts, representing a recovery rate of 14.42%, 19.13%, 11.45%, 3.64% and 3.29% on the balance of Gross NPA at the beginning of the corresponding periods, respectively.

Security Arrangements

We take security by way of a mortgage on project land and buildings and hypothecation of project assets including plants, machinery and receivables. In addition, we often take an additional security through a charge on asset collateral such as pledges of shares held by promoters, personal guarantees, among others.

*Trust and Retention Account Agreement*s ("***TRA Agreements***")

For our loans, additional security is provided through a trust and retention arrangement in relation to all of the cash flows of the project pursuant to a TRA Agreement. The TRA Agreement is entered into amongst us, the borrower and a bank designated as the account bank. Under the terms of the TRA Agreement, the cash flows of the project are controlled by the account bank which must deal with these strictly in accordance with the terms of the TRA Agreement. The TRA Agreement specifies the conditions that must be satisfied, on a periodic basis, before funds from the trust account can be used to meet the relevant expense and the manner in which such payments will be made, including payments by way of debt service to us throughout the life of our loan. The trustee bank does not permit any withdrawal of funds in excess of the approved limits without our prior approval. The TRA Agreement continues to operate until all of the obligations have been indefeasibly and irrevocably paid by the borrower and confirmation provided by us. The trust and retention accounts do not include liens over assets. The TRA Agreement also specifies the payment waterfall that would apply upon the occurrence of an event of default or a potential event of default in relation to our loan and which gives priority to the secured lenders.

Market Risk

Market Risk pertains to the risk of our products being priced out of the market. This would typically emanate from better cost structure of the competition, or lack of timely closure of a good quality loan proposal. The latter, *inter alia*, is possible in a situation when the asset-liability mismatches may drive us to access high-cost funding and limit our consequential capital allocations. Therefore, we are exposed to a number of sources of market risk – the primary ones originating from interest rate risk and liquidity risk.

Interest Rate Risk

Interest rate risk is related to the risk that occurs due to changes in market interest rates and may adversely affect our financial condition.

We have established an internal committee for fixing interest rates and reviewing interest rate risks. We review our lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements. The intent behind the review and revision in interest rate is to align with the competitive market practices. The spread for projects is based on the gradation of risk, which is dependent upon the rating given by the comprehensive internal credit risk rating model.

We have historically, and will in the future, implement interest rate risk management through the contractual terms of our loans, including pricing terms, maturities and pre-payment and re-pricing provisions. In addition, all loan sanction documents specifically entitle us to vary the interest rate on the undisbursed portion of any loan. The rate of interest, the approach for gradations of risk and rationale for charging different rate of interest to different categories of borrowers are required to be disclosed to the borrower or customer in the application form and communicated explicitly in the sanction letter.

For additional information on our interest rate risk, see *"Risk Factors – Volatility in interest rates could adversely affect our business, net interest income and net interest margin, which in turn would adversely affect our business, results of operations and financial condition"* on page 36.

Liquidity Risk

Liquidity risk is the risk of our potential inability to meet our liabilities as they become due. We may face liquidity risks, which could require us to raise funds or liquidate assets on unfavourable terms. We manage our liquidity risk through a mix of strategies, including through forward-looking resource mobilization based on projected disbursements and maturing obligations. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. We monitor forecast of liquidity position and cash and cash equivalents on the basis of expected cashflows (including interest income and interest expense).

In order to ensure that we have sufficient funds to meet our commitments, we maintain satisfactory levels of liquidity to ensure availability of funds. Currently surplus funds are invested by way of short-term deposits with banks. We maintain high quality liquid assets in current account and fixed deposits with scheduled commercial banks and through investment in eligible securities.

Foreign Currency Risk

Foreign currency exchange risk involves exchange rate movements among currencies that may adversely impact the value of foreign currency-denominated assets, liabilities and off-balance sheet arrangements. We have foreign currency borrowings that could expose us to foreign currency exchange rate risk and we expect to increase our foreign currency-denominated borrowings in the future.

We have an internal committee to manage the risks associated with foreign currency borrowings as per our foreign exchange and derivatives risk management policy. We undertake derivative products (such as currency forwards, currency swaps, principal swaps) to mitigate our foreign currency risk. Our policy lays down the appropriate systems and controls to identify, measure, monitor, report and manage the currency risks, including interest rate risk. Some of the important features of the foreign exchange and derivatives risk management policy include benchmarks, open position limits, exposure limits as regards banks, among others. In addition, risks are evaluated on each foreign currency loan and mitigation steps are taken in accordance with the various parameters. The details of foreign currency exposure, open position and hedging are submitted to the Asset Liability Committee and the Board. We may obtain additional foreign currency borrowings in future. Volatility in foreign exchange rates could adversely affect our business, as a result of operations and financial condition. We typically rely on and hold derivative contracts, including currency and principal only swaps, as these products have the effect of reducing the volatility in profits.

As of September 30, 2023, we had foreign currency borrowings outstanding of USD 582.71 million, JPY 56,311.45 million and EUR 193.67 million (aggregate equivalent to ₹ 96,857.68 million, or 24.31% of our total borrowings as of such date). As of September 30, 2023, of our total foreign currency borrowings, 73.71% is hedged by availing of derivative products and natural hedging, and 26.29% are classified as open exposure which includes part hedging done for JPY and EUR loans.

For additional information on our foreign currency risk, see *"Risk Factor – We are exposed to fluctuations in foreign exchange rates, which in turn could adversely affect our results of operation and financial condition"* on page 56.

Operational Risk

Operational risks refer to risks generally associated with internal and external systems for the monitoring, negotiation and delivery of financial transactions. We have established operational policies, guidelines and manuals to provide a detailed description of the systems and procedures to be followed to minimize operational risks.

Operational Controls in Loan Activities

Our operational policy guidelines and manuals provide a detailed description of the systems and procedures to be followed in relation to disbursement of loans and receipt of loan repayments. Various checks and control measures have been built-in for timely review of the operating activities and monitoring of any gaps in the same.

Operational Controls in Treasury Activities

Our investment policy is based on DPE Guidelines issued for CPSEs and it defines the nature of instruments where investment can be made for deployment of short-term surplus funds and provides a description of processes to be followed. Compliance with applicable guidelines is monitored through internal processes and procedures, including external and internal audits.

Quality Management Certification

Our Company is an ISO/IEC 27001:2013 certified organization. We acquired ISO/IEC 27001:2013 certification in January 2016 and the certification was renewed in January 2019 and subsequently in February 2022.

Our Company is also IS/ISO: 9001:2015 Certified by the Bureau of Indian Standards (BIS) and is committed towards continual improvement in its quality management system encompassing various procedures and processes.

Corporate Governance

We have a robust corporate governance mechanism in place. We have established a risk reporting process to manage risk governance requirements. On identification of risks, detailed mitigation plans are devised and such risks are monitored carefully. On a quarterly basis, we undertake compliance reporting before the Board and on a monthly basis, we make compliance report before senior management. In addition, 'action taken' reports on the decisions of the Board are also placed before the Board for their review. Further, minutes of Board-level committees are also placed before the Board for their information.

Information Technology

Information Security Management System Certification

We are an ISO 27001:2013 Certified Organization and an Information Security Management System (ISMS) Framework has been established, as a part of this ISO Standard. IT Governance is an integral part of our corporate governance. It encompasses the leadership support, organizational structure, and processes required to ensure that IT aligns with and supports our business strategies and objectives. Effective IT governance helps to maximize the value derived from IT investments, manage risks, and ensure compliance with relevant laws and regulations. The implementation of this International Standard enables compliance of various regulations and contractual requirements related to Information Security under various IT Acts.

Information Technology

We recognize the importance of information technology, and we use both internally and externally developed applications. We have an ERP System, which has recently been migrated to a cloud-based setup and is being maintained by an external agency. The ERP System caters to various processes related to Technical Services, Finance and Accounts, Human Resources and Administration and Legal Department, which helps to improve our overall productivity. Our IT systems have the capability of end-to-end customer data capture and integration of accounts centrally. Loan appraisals and sanctions are controlled by our loan application system in conjunction with our ERP System, including our CRRS to ensure overall risk management control.

We have undertaken the following IT initiatives:

To enhance transparency and minimize human involvement, we have been actively automating our business procedures. As part of this effort, we have recently transitioned our existing ERP System to the latest version on cloud. This migration has resulted in strengthened automation and integration of business processes, incorporating new enhancements and features. In addition, we have introduced a Complaints Portal during Vigilance Awareness Week in Fiscal 2023. This portal ensures transparent handling of complaints and allows for improved monitoring of all complaints received by our Company.

We have taken significant steps to enhance our IT infrastructure security which includes implementation of various IT security policies. This includes the implementation of various security controls, regular conduct of IT audits and closure of observations to ensure the effectiveness and robustness of our security measures. Further, to foster cybersecurity awareness among employees, we have organized several training sessions during Fiscal 2023 as part of Cyber Jaagrukta Diwas. These sessions aimed to educate and raise awareness about cybersecurity practices and threats.

Competition

Our primary peers are power sector financing NBFCs, primarily focusing on financing of power generation, transmission, distribution and other such activities. (*Source: CARE Report*) These NBFCs provide funds for various types of power projects, including thermal power plants, transmission lines and renewable energy projects such as solar power plants, wind farms, hydroelectric projects, bioenergy energy projects and clean energy generation. (*Source: CARE Report*) Our competitors include Power Finance Corporation Limited, REC Limited, India Infradebt Limited, Tata Cleantech Capital Limited and PTC India Financial Services Limited. (*Source: CARE Report*)

For more details on competition, see "*Risk Factors – Internal Risk factors* – "*We operate in a highly competitive environment and increased competition in lending to the RE sector, including to new and emerging technologies, could have a material adverse effect on our business, results of operations and financial condition"* on page 53.

Employees

As of September 30, 2023, we had 174 full-time employees excluding our Board. As of September 30, 2023, 27.01% of our full-time employees were women, and we remain committed to providing growth opportunities for women employees. The following table shows the number of our full-time employees by category as of the dates indicated below:

Type of Employee	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Board Level Executives	2	2	1	2	1
Executive	136	138	144	142	158
Non-Executives	21	18	16	16	16
Total	**159**	**158**	**161**	160	175

The average attrition rate of our full-time employees for Fiscal 2021, 2022 and 2023 and the six months ended September 30, 2022 and September 30, 2023 is set forth in the table below.

Type of Employee	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months ended September 30,	
				2022	2023
Attrition*	-	-	2	1	4
Attrition Rate	-	-	1.26%	0.64%	2.40%

**Excluding superannuation.*

We have no employee unions or associations. For further information, see "*Risk Factors – The success of our business depends on our ability to attract and retain our senior management and high-quality employees, and the loss of their services could have a material adverse effect on our business, results of operations and financial condition"* on page 57.

Training

We offer continuous learning programs for our employees to facilitate the ever-growing demand for knowledge from the RE industry and competency building programs. We conduct regular training programs and workshops for our employees on various areas related to our operations. In Fiscal 2023, employees have been imparted training on various topic like general management, strategic leadership program for public sector enterprises, risk management, infrastructure financing, stressed asset management and IBC.

We also promote knowledge sharing and knowledge transfer with continuous rotation of employees within the organization. Our employees have the opportunity to learn, develop and enhance their skills both through offline and virtual modes of training, lecture series and other focused development training programs. Our e-learning policy was introduced for the capacity building of our employees by giving them an opportunity to attend e-learning programs of premier institutes in their relevant fields, technical and managerial competencies, leadership, self-development and general management programs.

We provide specialized training programs from various premium educational institutes/organizations in India and abroad, besides in-house training sessions. There are various training programs conducted along with Department of Economic Affairs and Department of Public Enterprises in association with premier institutes.

Further, masterclass on solar PV technologies was organized. We also celebrated Cyber Jagrookta Diwas and sessions on cyber security law were organized to sensitize officials against cyber frauds and cybercrimes. We also participated in RE based courses and project training programs in Germany and Singapore. We also participated in the United Nations Climate Change–Conference – COP27 held in Egypt and the WePOWER Conference, held in Bangkok.

Benefits for our Employees

We have various schemes in place for the benefit of our employees which are in line with the guidelines of Department of Public Enterprises and practices followed by other CPSEs. Employee benefits inter-alia includes contribution to provident fund and national pension scheme. Other employee benefits include leave benefits, gratuity, post-retirement medical benefit, economic rehabilitation scheme, and other terminal benefits like benevolent fund, farewell gift, baggage allowance, among others. We offer loans and advances to employees for construction or purchase of houses, vehicles and for children's higher education.

We offer reimbursement facility to support employees for IT infrastructure such as schemes for providing laptops, mobiles handsets and communication expenses.

Our remuneration structure is primarily driven as per the Department of Public Enterprises, GoI and its guidelines. We offer a perks and allowance package that allows employees to include items as per individual requirements from among available options. For the well-being of our employees, we undertake holistic wellness initiatives. We have yoga and fitness facilities within office premises and meditation routines are scheduled daily for all employees. In cases of hospitalisation, hospitals are empanelled to facilitate smooth cashless treatment to employees and dependent family members. We have instituted a post-retirement medical scheme for our retired employees where they are allowed to avail in-patient treatment in empanelled hospitals. We offer maternity and child care leave as well.

Our employees are covered under our Group Personal Accident Insurance Scheme. In Fiscal 2023, various lecture series, focused development training programs and workshops were organized on health, lifestyle and fitness, leading to the achievement of over 1,670 training days.

Legal Proceedings

From time to time, we are involved in various disputes and proceedings in the ordinary course of our business. For further information, see *"Outstanding Litigation and Other Material Developments"* on page 573.

Corporate Social Responsibility

We are committed to being a socially responsible corporate that actively contributes to society to improve the quality of life. Our Corporate Social Responsibility (CSR) initiatives are deeply rooted in the principle of making a positive impact on society.

Through these initiatives, we aim to address community development and empower individuals through education, healthcare, and sanitation. Additionally, we focus on macro issues such as environmental protection, the promotion of green and energy-efficient technologies, and the development of underprivileged regions, as per the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

We have aligned ourself with the guidelines issued by the Department of Public Enterprises regarding the common annual theme of 'Health and Nutrition' for CPSEs in Fiscal 2023. We have also undertaken the solarization of various government schools and health centres across different locations, including districts such as Chandauli and Balrampur in Uttar Pradesh. One of our CSR initiatives, 'Therapy on Wheels', launched in November 2020, was recognised for the 'Zero Project' award by the Austrian ESSL Foundation.

We have a CSR Committee and for further information regarding the composition of our CSR Committee and its responsibilities, see "*Our Management*" on page 284. Our CSR expenses in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 were ₹ 164.16 million, ₹ 95.06 million, ₹ 69.74 million, ₹ 9.81 million and ₹ 44.98 million, respectively. For further information on our CSR expenses, see *"Note 38(28)"* in *"Financial Information – Notes to Restated Financial Information"* on page 420.

Intellectual Property

Our corporate logo and name are registered as a trademark under the Trade Marks Act, 1999. No other application has been made by us to register our logo and name as a trademark or service mark.

Insurance

We currently maintain insurance coverage for directors and officers liability, fire and special perils, burglary and personal accident at our offices. In addition, we maintain an industrial risk insurance for our 50 MW Solar Photovoltaic Project in the Kasargod Solar Park. We require borrowers to maintain insurance over project assets, and if a project loan becomes an NPA our Company takes insurance coverage on such project assets. Our insurance policies are renewed annually. Where insurance has not been maintained, we may be exposed to indefinite liability in the future. For further information, see "*Risk Factors – If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition*" on page 63.

Property

The details of our properties, as of the date of this Prospectus, are as follows:

Sr. No.	Address	Purpose	Location	Owned/ Leasehold	Lessor	Lease Tenure	Lease Rent	Related Party (Yes / No)	Area	Adequately stamped and registered (Yes/ No)
1.	India Habitat Centre, East Court, Core 4A, 1st Floor, Lodhi Road, New Delhi – 110 003, India (Registered Office)	Registered Office[(1)]	New Delhi	Leasehold	-	Tripartite lease deed is under process[(1)]	-	-	750 square metres	Tripartite lease deed is under process[(1)]
2.	3rd Floor, August Kranti Bhavan, Bhikaji Cama Place, New Delhi – 110 066, India (Corporate Office)	Corporate Office[(2)]	New Delhi	Leasehold	HUDCO	99 years as per allotment letter. Lease deed is under process[(2)]	-	No	1,827.27 square metres	Lease deed is under process[(2)]
3.	7th floor, plate-B, Tower-2, NBCC Complex, East Kidwai Nagar, New Delhi-110 023, India	Business centre[(3)]	New Delhi	Leasehold	NBCC India Limited	30 years. Lease deed is under process[(3)]	-	No	34,680 square feet	Lease deed is under process[(3)]
4.	Block No.1, Module No. 31, SIDCO Electronic Complex, Thiru Vi Ka Industrial Estate, Guindy, Chennai – 600032, Tamil Nadu, India	Branch office	Chennai	Owned	NA	NA	NA	No	1,026 square feet	Yes
5.	# 5-9-21, Ground Floor, Jeevan Prakash (LIC Building) Opposite Secretariat, Saifabad, Hyderabad-500063, India (Telangana)	Branch office	Hyderabad	Leased	Life Insurance Corporation of India	10 years with effect from March 11, 2015	₹ 42,875 per month	No	875 square feet	Agreement on non-judicial stamp paper of ₹ 100
6.	Office No-03, Hotel Kalinga Ashok, Gautam nagar, Kalpana Square, Bhubaneswar- 751014, India (Odisha)	Branch office	Bhubaneshwar	Leased	Hotel Kalinga Ashok, Bhubaneshwar (a unit of India Tourism Development Corporation Limited)	Two years with effect from September 1, 2021; however the premises is still being utilised by the Company. Renewal under process.	₹ 32,100 per month. plus GST	No	252.41 square feet	Agreement on non-judicial stamp paper of ₹ 100
7.	8th Floor, The Summit Business Bay (Omkar Group), Andheri East, Mumbai – 400,093, India. (Maharashtra)	Branch office	Mumbai	Leased	Shri Rabi Narayan Bastia	Five years with effect from September 15, 2020	₹ 198,767 per month plus GST	No	503 square feet	Agreement on non-judicial stamp paper of ₹ 100
8.	C-19 (1st floor), Jangpura, HPL Housing Complex, New Delhi –	Residential property[(4]	New Delhi	Leasehold	Hindustan Prefab	Sub-lease deed under	-	No	170.40 squar	Lease deed is under

Sr. No.	Address	Purpose	Location	Owned/ Leasehold	Lessor	Lease Tenure	Lease Rent	Related Party (Yes / No)	Area	Adequately stamped and registered (Yes/ No)
	110014, India				Limited	process(4)			e metres	process(4)
9.	Type V (Flat numbers E-6 and F-6) at 6th floor, Tower - 19, NBCC Complex, East Kidwai Nagar, New Delhi – 110023, India	Residential property(5)	New Delhi	Leasehold	NBCC India Limited	30 years(5)	-	No	3,886 square feet	Lease deed is under process(5)

Notes:

(1) The execution of the relevant tripartite sub-lease deed in relation our Registered Office is pending. The draft of the lease deed has been cleared by the Land and Development Office, Ministry of Housing and Urban Affairs, Government of India.

(2) The conveyance deed in relation to the Corporate Office has not been executed as of the date of this Prospectus.

(3) In relation to the business centre located at NBCC Complex, New Delhi, while the possession of the property was received on July 6, 2021, we are yet to execute the lease deed.

(4) For our residential property at HPL Housing Complex, New Delhi, the transfer of lease rights remains pending as of the date of this Prospectus.

(5) For our two residential properties at East Kidwai Nagar, New Delhi,~~.~~ while the possession of the property was received on July 15, 2021, we are yet to execute the lease deed.

KEY REGULATIONS AND POLICIES IN INDIA

The following description is a summary of the relevant sector specific regulations and policies, applicable in India, as prescribed by the Government or state governments which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain and is based on the current provisions of Indian law and the judicial, regulatory, and administrative interpretations thereof, which are subject to change or modification by subsequent legislative actions, regulatory, administrative, quasi-judicial, or judicial decisions. The description of the applicable laws and regulations set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

I. Key Regulations Applicable to our Company

The Reserve Bank of India Act, as amended (the "RBI Act")

The Reserve Bank of India ("**RBI**") is entrusted with the responsibility of regulating and supervising activities of NBFCs by the power vested in it under Chapter IIIB of the RBI Act. The RBI Act defines an NBFC under section 45-I(f) as:

(i) a financial institution which is a company;

(ii) a non-banking institution which is a company, and which has as its principal business the receiving of deposits, under any scheme of arrangement or in any other manner, or lending in any manner; or

(iii) such other non-banking institution or class of such institutions, as the Bank may, with the previous approval of the Central Government and by notification in the Official Gazette, specify.

A company categorized as an NBFC is required to have a net owned fund of at least ₹1,000 million, as per the Non-Banking Financial Company Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended. In addition, an NBFC with an Infrastructure Finance Company (IFC) status is required to maintain net owned funds of at least ₹3,000 million.

Pursuant to Section 45-IC of the RBI Act, 1934 every NBFC is required to create a reserve fund and transfer thereto a sum not less than 20% of its net profit every year, as disclosed in the profit and loss account and before any dividend is declared. No appropriation can be made from such fund by the NBFC except for the purposes specified by the RBI from time to time and every such appropriation shall be reported to the RBI within 21 days from the date of such withdrawal.

Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023, dated October 19, 2023, as amended

On October 19, 2023, RBI issued Master Direction –Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 ("**SBR Directions**"). A revised regulatory framework for NBFCs whereby NBFCs have been categorised into following four layers based on their size, activity, and perceived riskiness by RBI:

i. NBFC-Base Layer ("**NBFC-BL**");
ii. NBFC-Middle Layer ("**NBFC-ML**");
iii. NBFC-Upper layer ("**NBFC-UL**");
iv. NBFC-Top Layer ("**NBFC-TL**")

The NBFC-BL comprises of (a) non-deposit taking NBFCs below the asset size of ₹1,000 crore and (b) NBFCs undertaking the following activities – (i) NBFC-Peer to Peer Lending Platform ("**NBFC-P2P**"), (ii) NBFC-Account Aggregator ("**NBFC-AA**"), (iii) Non-Operative Financial Holding Company ("**NOFHC**") and (iv) NBFCs not availing public funds and not having any customer interface.

The NBFC-ML consists of (a) all deposit taking NBFCs ("**NBFC-Ds**"), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1,000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers ("**SPDs**") (ii) Infrastructure Debt Fund – Non-

Banking Financial Companies ("**IDF-NBFCs**"), (iii) Core Investment Companies ("**CICs**"), (iv) Housing Finance Companies ("**HFCs**") and (v) Infrastructure Finance Companies ("**NBFC-IFCs**").

The NBFC-UL comprise of those NBFCs which are specifically identified by RBI as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology as provided in Annexure 1 to SBR Directions. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor.

As per the SBR Directions, the NBFC-TL will ideally remain empty. This layer can get populated if RBI is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFC-Upper Layer. Such NBFC shall move to the NBFC-Top Layer.

Pursuant the SBR Directions, the criteria of asset size of non-deposit NBFCs for classification as non-systemically important for the purpose of regulatory structure of NBFCs have been increased from ₹500 crore to ₹1,000 crore ("**NBFC-ND**"). Therefore, NBFCs with asset size of over ₹1,000 crore have been considered risky and will fall under middle layer ("**NBFC-ML**"/ "**NBFC-ND-SI**").

SBR Directions further provide that from October 01, 2022, references to NBFC-ND shall mean NBFC-BL and all references to NBFC-D and NBFC-ND-SI shall mean NBFC-ML or NBFC-UL, as the case may be. Moreover, existing NBFC-ND-Sis having asset size of ₹500 crore and above but below ₹1,000 crore (except those necessarily featuring in NBFC-Middle Layer) will be known as NBFC-BL.

As on date of filing of this Prospectus our Company falls under the category of NBFC-ML, as it is a NBFC-IFC. Accordingly, as per the SBR Directions, our Company on account of being a NBFC-IFC has to fulfil the following conditions: (a) non-acceptance of deposits (b) have a minimum of 75 percent of its total assets deployed towards "infrastructure lending".

Further, the SBR Directions provide that NBFC-ML shall be subject to regulations as specified in section III, in addition to the regulatory instructions applicable to NBFC-BL as specified in section II, unless stated otherwise. Section III of the SBR Directions stipulate the different compliances required for NBFC-ML including *inter alia* prudential regulations, regulatory restrictions and limits and governance guidelines.

- ***Prudential regulations***

The prudential regulations prescribe guidelines pertaining to capital requirement, capital raising options for capital adequacy purposes, maintenance of liquidity coverage ratio ("**LCR**") and disclosures in financial statements amongst others.

The SBR Directions stipulate that for capital requirement NBFC-MLs shall maintain a minimum capital ratio consisting of Tier 1 and Tier 2 capital which shall not be less than 15 percent of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items. Moreover, tier 1 capital in respect of NBFC-IFCs, at any point of time, shall not be less than 10 percent. Further, NBFC-MLs are permitted to augment their capital funds by issue of Perpetual Debt Instruments ("**PDI**") in accordance with the guidelines contained in Annex XX of the SBR Directions. Such PDI shall be eligible for inclusion as Tier 1 capital to the extent of 15 percent of total Tier 1 capital as on March 31 of the previous accounting year. Additionally, NBFC-MLs are required to make a thorough internal assessment of the need for capital, commensurate with the risks in their business. These internal assessments should be on similar lines as ICAAP prescribed for commercial banks under Pillar 2, as mentioned in the Master Circular – Basel III Capital Regulations ("**Basel III Regulations**"), dated May 12, 2023, as amended. The methodology for internal assessment of capital shall be proportionate to the scale and complexity of operations as per the Board approved policy. The objective of Internal Capital Adequacy Assessment Process is to ensure availability of adequate capital to support all risks in business as also to encourage NBFC-MLs to develop and use better internal risk management techniques for monitoring and managing their risks.

Further the prudential guidelines include norms pertaining to treatment to on-balance sheet assets for capital ratio, treatment to off-balance sheet items for capital ratio, treatment of deferred tax assets ("**DTA**") and deferred tax liabilities ("**DTL**") for computation of capital, asset classification, standard asset provisioning, guidelines on maintaining liquidity coverage ratio, disclosures in financial statements–notes to accounts etc. NBFC-MLs are required to align their practices and functioning accordingly to the directions given in these prudential regulations.

- ***Regulatory Restrictions and Limits***

  The SBR Directions provide for regulatory restrictions and limits applicable to NBFC-MLs. These include credit/investment concentration norms, sensitive sector exposure, regulatory restrictions on loans which includes restrictions on loans and advances to directors, senior officers, and the real estate sector.

- ***Governance Guidelines***

  The SBR Directions have further prescribed corporate governance norms to be followed by NBFC-MLs. These include:

a) Constitution of Committees of the Board including audit committee and nomination and remuneration committee.

b) *Appointment of Chief Risk Officer:* NBFC-MLs with asset size of more than ₹5,000 crore in categories – NBFC-ICC, NBFC-IFC, NBFC-MFI, NBFC-Factors and IDF-NBFC shall appoint a Chief Risk Officer ("**CRO**") with clearly specified role and responsibilities.

c) *Fit and Proper Criteria for the Directors:* NBFC-MLs are required to ensure that a policy is put in place with the approval of the Board of Directors for ascertaining the 'fit and proper' criteria of the directors at the time of appointment, and on a continuing basis. Further, each NBFC-ML will (i) obtain a declaration and undertaking from the directors giving additional information on the directors, (ii) obtain a Deed of Covenant signed by the directors, (iii) furnish to the Reserve Bank a quarterly statement on change of directors, and a certificate from the Managing Director of the NBFC-ML that 'fit and proper criteria' in selection of the directors has been followed.

d) *Framing of Internal Guidelines on Corporate Governance:* NBFC-MLs shall frame their internal guidelines on corporate governance with the approval of the Board of Directors and shall publish the same on the company's website, if any, for the information of various stakeholders.

e) Other corporate governance norms include certain directions for key managerial personnel, independent directors, guidelines on compensation of key managerial personnel and senior management.

   In addition to the foregoing, the SBR Directions also stipulate guidelines for participation in currency options, interest rate futures, forward contracts in corporate debt securities, appointment of internal ombudsman.

<u>The Prevention of Money Laundering Act, 2002</u>

The Prevention of Money Laundering Act, 2002 (the "**PMLA**") was enacted to prevent money laundering and to provide for confiscation of property derived from, and involved in, money laundering. Section 12 of the PMLA *inter alia* casts certain obligations on reporting entities (as defined under the PMLA) in relation to preservation of records and reporting of transactions.

Priority Sector Lending Classification

Pursuant to its 'Statement on Developmental and Regulatory Policies' and notification dated April 7, 2021, the RBI with a view to ensure continued availability of credit to specified sectors to aid faster economic recovery, decided to extend the priority sector lending ("PSL") classification for lending by banks to NBFCs for on-lending by six months i.e. up to September 30, 2021. Considering the increased traction observed in delivering credit to underserved/unserved segments of the economy, the facility was extended until March 31, 2022, vide RBI circular dated October 8, 2021. Previously, the PSL classification, allowing banks to classify lending to NBFCs for on-lending to agriculture/MSME/housing as PSL, was permitted until March 31, 2021.

Master Direction (Know Your Customer) Directions, 2016 dated February 25, 2016, as amended (the "KYC Directions")

The KYC Directions require regulated entities (as defined in such directions) to follow certain customer identification procedures while undertaking a transaction. These directions are applicable to every entity regulated by RBI, including scheduled commercial banks, regional rural banks, local area banks, primary (urban) co- operative banks, state and central co-operative banks, all India financial institutions, NBFCs, miscellaneous non- banking companies and residuary non-banking companies, amongst others. Every entity regulated thereunder is required to adopt a 'know your customer' ("**KYC**") policy, duly approved by its board of directors, which shall include four key elements, namely, customer acceptance policy; risk management policy; customer identification procedures; and monitoring of transactions. Regulated entities are required to ensure compliance with the KYC policy through specifying 'senior management' for the purposes of KYC compliance; allocation of responsibility for effective implementation of policies and procedures; independent evaluation of compliance with KYC and anti-money laundering policies and procedures, including legal and regulatory requirements; concurrent/internal audit system for compliance to verify compliance with KYC and anti-money laundering; wire transfer related transactions; and submission of quarterly audit notes and compliance to the audit committee of the board of directors of the regulated entity.

Master Direction – Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016, dated September 29, 2016("Returns Master Direction")

The Returns Master Direction lists detailed instructions in relation to submission of returns prescribed by the RBI for various categories of NBFCs, including their periodicity, reporting time, due date, and the purpose of filing such returns.

Master Direction – Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016 dated September 29, 2016 ("Monitoring of Frauds Directions")

The Monitoring of Frauds Directions are applicable to all deposit taking NBFCs and NBFC-ND-Sis and requires them to put in place a reporting system for recording of frauds. All frauds are required to be reported to the RBI. Fraud reports are required to be submitted to the Central Fraud Monitoring Cell of the RBI in case amount of fraud ₹10 million and above. In cases where the amount of fraud is less than ₹10 million, reports shall be sent to the regional office of the Department of Non-Banking Supervision of the RBI, under whose jurisdiction the registered office of the related entity falls. The amounts involved in frauds reported by the entity shall be disclosed in its balance sheet for the year of such reporting. The Monitoring of Frauds Directions also requires submission of a copy of quarterly reports on frauds outstanding to the regional office of the RBI within 15 days of the end of each quarter to which it relates, in the format prescribed.

Master Direction – Non- Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29, 2016 ("Auditor's Report Directions")

The Auditor's Report Directions set out disclosures that are to be included in every auditor's report on the accounts of an NBFC such as: (i) the validity of such NBFC's certificate of registration and whether the NBFC is entitled to continue to hold such certificate of registration in terms of its principal business criteria as of March 31 of the applicable year; and (ii) compliance with net owned fund requirements as laid down in the Master Directions.

Master Direction – Information Technology Framework for the NBFC Sector Directions, dated June 8, 2017 ("IT Framework Directions")

The IT Framework Directions have been notified with the view of benchmarking the information technology/information security framework, business continuity planning, disaster recovery management, information technology ("**IT**") audit and other processes to best practices for the NBFC sector. Systemically important NBFCs are required to comply with the IT Framework Directions by June 30, 2018. The IT Framework Directions require all systemically important NBFCs to undertake IT governance through formation of an IT strategy committee and formulation of a board approved IT policy. They also require systemically important NBFCs to conduct an information system audit at least once in a year.

In addition to the above IT Framework Directions, we are also required to comply with the Information Technology Act, 2000, as amended, and the rules framed thereunder.

Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017 dated November 9, 2017 ("Outsourcing Directions")

The Outsourcing Directions specify the activities that cannot be outsourced and provide the basis for deciding materiality of outsourcing. It mandates the regulatory and supervisory requirements and risk management practices to be complied with by every NBFC before outsourcing its activities. Further, an NBFC intending to outsource any of the permitted activities under the Outsourcing Directions is required to formulate an outsourcing policy which is to be approved by its board of directors.

Guidelines on Risk-based Internal Audit ("RBIA") System for Select NBFCs and Urban Co-operative Banks (the "RBIA Guidelines")

RBIA for non-deposit taking NBFCs with an asset size of ₹50 billion and above (the "**RBIA Applicable NBFCs**"), was mandated by the RBI through its notification dated February 3, 2021 bearing reference number DoS.CO.PPG./SEC.05/11.01.005/2020-21. Under the RBIA Guidelines, RBIA Applicable NBFCs are required to implement the RBIA framework by March 31, 2022. The RBIA Guidelines, inter alia, are intended to enhance the efficacy of internal audit systems and contribute to the overall improvement of governance, risk management and control processes followed by RBIA Applicable NBFCs. Under the RBIA Guidelines, the board of directors of the RBIA Applicable NBFC must approve a policy clearly documenting the purpose, authority, and responsibility of the internal audit activity, with a clear demarcation of the role and expectations from risk management function and the RBIA function. It's also mandated that the policy be reviewed periodically, and that the internal audit function not be outsourced. Further, the RBIA Guidelines also require that the risk assessment of business and other functions of RBIA Applicable NBFCs should be conducted at least on an annual basis.

The Ombudsman Scheme for Non-Banking Financial Companies, 2018 *(the "Ombudsman Scheme")*

The Ombudsman Scheme was introduced by the RBI with the object of enabling resolution of complaints in respect of certain services rendered by particular categories of NBFCs, to facilitate the satisfaction or settlement of such complaints, and matters connected therewith.

The Ombudsman Scheme, inter alia, establishes the office of the ombudsman, specifies the procedure for the redressal of grievances and the mechanism for appeals against the awards passed by the ombudsman.

Further, the RBI through its 'Statement on Developmental and Regulatory Policies' dated February 5, 2021, proposed the integration of the Ombudsman Scheme with the Banking Ombudsman Scheme, 2006 and the Ombudsman Scheme for Digital Transactions, 2019 under the 'One Nation One Ombudsman' approach for grievance redressal. This is intended to make the process of redress of grievances easier by enabling the customers of the banks, NBFCs and nonbank issuers of prepaid payment instruments to register their complaints under the integrated scheme, with one centralized reference point. The scheme was rolled out in June 2021.

Circular dated June 24, 2021 on Declaration of Dividends by NBFCs ("Dividend Circular")

The Dividend Circular specifies, inter alia, certain minimum prudential requirements (relating to its capital adequacy, net NPA and other criteria) for an NBFC to be eligible to declare dividend, the maximum permissible dividend payout ratio, the considerations to be taken into account by the board of directors of an NBFC while considering the proposal to declare dividend (such as supervisory findings of the RBI on divergence in classification and provisioning of NPAs, qualifications in the auditors' report to the financial statements, and long term growth plans) and the manner of reporting details of dividends declared. The Dividend Circular will be applicable to NBFCs for the declaration of dividends from the profits of the financial year ending March 31, 2022, and onwards.

II. COVID-19 Regulatory Framework

In view of the outbreak of the COVID-19 pandemic, the RBI issued various circulars and prescribed other regulatory frameworks and relaxations governing NBFCs to deal with the disruptions caused by the COVID-19 pandemic.

Circular dated March 16, 2020

Pursuant to its circular dated March 16, 2020 (Reference No. RBI/2019-20/172 DoS.CO.PPG.BC.01/11.01.005/2019- 20), the RBI provided an indicative list of actions to be taken by NBFCs as part of their operations and business continuity plans. Among others, the actions included taking steps to share important instructions/strategy with the staff members at all levels and sensitizing the staff members about preventive measures/steps to be taken in suspected cases, based on the instructions received from health authorities from time-to-time, taking stock of critical processes and revisiting business continuity plan in the emerging situations/scenarios with the aim of continuity in critical interfaces and preventing any disruption of services, due to absenteeism either driven by the individual cases of infections or preventive measures.

Circulars dated March 27, 2020 and April 17, 2020

RBI, pursuant to its circular dated March 27, 2020 (Reference No. RBI/2019 -20/186 DOR.No.BP.BC.47/21.04.048/2019-20), announced certain regulatory measures, including, inter alia, to mitigate the burden of debt servicing brought about by disruptions on account of the COVID-19 pandemic and to ensure the continuity of viable businesses. In furtherance of such circular, lending institutions were permitted to grant a moratorium of three months on payment of all instalments (including all (i) principal and/or interest components; (ii) bullet repayments; (iii) equated monthly instalments; and (iv) credit card dues) falling due between March 1, 2020 and May 31, 2020 in respect of all term loans (including agricultural term loans, retail and crop loans) ("**Moratorium Period**"). Additional relaxations were granted in relation to the calculation of 'drawing power' in respect of working capital facilities sanctioned in the form of cash credit/overdraft ("**CC/OD**") to borrowers. Under the circular, such measures were not to be treated as a concession or change in terms and conditions of loan agreements due to financial difficulty of the borrower under paragraph 2 of the Annexure to the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 ("**Prudential Framework**") and availing of such measures, by itself, was not to result in asset classification downgrade. The rescheduling of payments, including interest, did not qualify as a default for the purposes of supervisory reporting and reporting to credit information companies ("**CICs**") by the lending institutions. CICs were instructed to ensure that the actions taken by lending institutions pursuant to the above announcements do not adversely impact the credit history of the beneficiaries. The circular also stated that wherever the exposure of a lending institution to a borrower is ₹50 million or above as on March 1, 2020, the lending institution was required to develop an MIS on the reliefs provided to its borrowers which was required to, inter alia, include borrower-wise and credit-facility wise information regarding the nature and amount of relief granted. Further, pursuant to its circular dated April 17, 2020 (Reference No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20), the RBI provided detailed instructions in relation to (i) asset classification under the prudential norms on income recognition, asset classification and (ii) provisioning requirements.

Circular dated May 23, 2020 Emergency Credit Line Guarantee Scheme

The Government of India, through the Ministry of Finance, Department of Financial Services introduced the emergency credit line guarantee scheme ("**ECLGS**"). Pursuant to the ECLGS, the National Credit Guarantee Trustee Company, a wholly owned trustee company of the Government of India, provided a 100% credit guarantee with respect to eligible credit facilities extended by NBFCs in the form of additional term loans.

Circular dated May 23, 2020

Pursuant to its circular dated May 23, 2020 (Reference No. RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20), the RBI further permitted lending institutions (including NBFCs) to extend the Moratorium Period on payment of all instalments in respect of term loans (including agricultural term loans, retail and crop loans) by another three months, i.e., from June 1, 2020 to August 31, 2020. Such circular also permitted certain relaxations in respect of working capital facilities sanctioned in the form of cash credit/overdraft, lending institutions, subject to certain conditions.

The measures In relation to working capital facilities under the RBI circular dated May 23, 2020, were contingent on the lending institutions satisfying themselves that such measures are necessitated on account of the economic fallout from COVID-19. Further, accounts provided relief under this relaxation were subject to subsequent supervisory review with regard to their justifiability on account of the economic fallout from COVID-19. Lending institutions, accordingly, could put in place a board approved policy to implement the above measures.

Circular dated July 1, 2020 on Special Liquidity Scheme for NBFCs/HFCs and the Partial Credit Guarantee Scheme

The Government of India approved the Special Liquidity Scheme for NBFCs and HFCs to improve the liquidity position of NBFCs through a special purpose vehicle to avoid potential systemic risks to the financial sector. In order to avail the scheme, NBFCs are required to, inter alia, (a) have made a net profit in one of the two preceding financial years; and (b) be rated investment grade by a SEBI registered rating agency.

The Partial Credit Guarantee Scheme ("**PCGS**") was introduced on December 11, 2019, to offer a sovereign guarantee for "first loss" to public sector banks for the purchase of pooled assets, from financially sound NBFCs, subject to certain conditions. Pursuant to a press release dated May 20, 2020, the PCGS was amended to increase the coverage offered by the scheme and the window under the PCGS was extended up to March 31, 2021.

Circular dated August 6, 2020 on Resolution Framework for COVID-19-related Stress

The RBI has also issued a notification on August 6, 2020 titled 'Resolution Framework for COVID-19-related Stress' ("COVID-19 Resolution Framework", Reference No. RBI/2020-21/16DOR.No.BP.BC/3/21.04.048/2020-21). Under the COVID-19 Resolution Framework, lending institutions were required to frame policies, as approved by their board of directors, for implementation of viable resolution plans for eligible borrowers pursuant to the COVID-19 Resolution Framework and ensure that the resolution plans under this facility were extended only to borrowers bearing stress on account of the COVID-19 pandemic. The resolution plan extended to eligible borrowers could be invoked anytime till December 31, 2020, and was to be implemented within 180 days from the date of invocation (within 90 days in case of personal loans.).

Circular dated September 7, 2020 on resolution framework for COVID-19 related Stress – Financial Parameters

The RBI, pursuant to its circular dated September 7, 2020 (Reference No. RBI/2020 -21/34 DOR.No.BP.BC/13/21.04.048/2020-21) on "Resolution Framework for COVID-19-related Stress – Financial Parameters", set out key ratios to be mandatorily considered while finalising the resolution plans in respect of COVID19 Resolution Framework. Further, it also prescribed sector specific thresholds to be considered by the lending institutions, intended as floors or ceilings. The resolution plans were required to take into account the pre- COVID-19 operating and financial performance of the borrower and impact of COVID-19 on its operating and financial performance at the time of finalising the resolution plan, to assess the cash flows in subsequent years, while stipulating appropriate ratios in each case. Lending institutions were free to consider other financial parameters as well while finalising the resolution assumptions in respect of eligible borrowers apart from the above mandatory key ratios and the sector-specific thresholds that have been prescribed.

Circular dated April 7, 2021 on Asset Classification and Income Recognition

The RBI, pursuant to the decision of the Supreme Court of India in Small Scale Industrial Manufactures Association v. Union of India, dated March 23, 2021, has issued a circular dated April 7, 2021 (the "**April 2021 Circular**", Reference No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22). The April 2021 Circular stipulates that all lending institutions (including NBFCs) are required to implement a board-approved policy to refund/adjust the "interest on interest" charged to the borrowers during the moratorium period, i.e., March 1, 2020 to August 31, 2020 in conformity with the above judgement. In order to ensure that the above judgement is implement ed uniformly in letter and spirit by all lending institutions, the methodology for calculation of the amount to be refunded/adjusted for different facilities is required to be finalised by the Indian Banks Association in consultation with other industry participants/bodies, which shall be adopted by all lending institutions. The above reliefs shall be applicable to all borrowers, including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium ha d been fully or partially availed, or not availed, in terms of the circulars dated March 27, 2020, and May 23, 2020. Further, in relation to asset classification, the April 2021 Circular stipulates that, (i) in respect of accounts which were not granted any moratorium in terms of the COVID-19 regulatory relief provided, asset classification is to be undertaken in terms of the criteria laid out in the Master Circular – Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated July 1, 2015 (Reference No. RBI/2015-16/101 DBR.No.BP.BC.2/21.04.048/2015-16) or other relevant instructions as applicable to the specific categories of lending institutions; and (ii) in respect of accounts in relation to which a moratorium was granted in terms of the COVID-19 regulatory relief, the asset classification for the period from March 1, 2020 to August 31, 2020 shall be governed in terms of the circular dated April 17, 2020 (Reference No. RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20), read with circular dated May 23, 2020 (Reference No. RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20). For the period commencing September 1, 2020, asset classification for all such accounts shall be as per the applicable income recognition and asset classification norms.

Circular dated January 5, 2022 on Bank Finance to Non- Banking Financial Companies

The circular lays down RBI's regulatory policy regarding financing of NBFCs by banks. The circular specifies, inter alia, certain guidelines for bank finance to NBFCs registered with RBI and bank finance to NBFCs not requiring registration. The circular further specifies activities which are not eligible for bank credits and other prohibitions on bank finance to NBFCs.

Scheme for grant of ex-gratia payment of difference between compound and simple interest for six months to borrowers in specified loan accounts

On October 23, 2020, the Ministry of Finance, Government of India announced a scheme for grant of ex -gratia payment of difference between compound interest and simple interest by way of reliefs for the six months period from March 1, 2020, to August 31, 2020, to borrowers in specified loan accounts ("October 2020 Scheme"), benefits of which would be routed through lending institutions. The October 2020 Scheme was applicable to all lending institutions, including, inter alia, banking companies, NBFCs and housing finance companies. Borrowers who had loan accounts with sanctioned limits and outstanding amounts not exceeding ₹20 million as on February 29, 2020, were eligible under the October 2020 Scheme, subject to certain conditions. Borrowers of the following classes of loans were eligible, namely (i) MSME loans; (ii) education loans; (iii) housing loans; (iv) consumer durable loans; (v) credit card dues; (vi) automobile loans; (vii) personal loans to professionals; and (viii) consumption loans.

III. Legislative framework for recovery of debts

The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI Act**") governs securitization of assets in India. The SARFAESI Act provides that any securitization or reconstruction company may acquire the assets of a bank or financial institution by either entering into an agreement with such bank or financial institution for the transfer of such assets to the company or by issuing a debenture or bond or any other security in the nature of the debenture, for consideration, as per such terms and conditions as may be mutually agreed between them. The SARFAESI Act further provides that if the bank or financial institution is a lender in relation to any financial assets acquired by the securitization/reconstruction company as stated above, then such company shall be deemed to be the lender in relation to those financial assets. Upon such acquisition, all material contracts entered into by the bank or financial institution, in relation to the financial assets, shall also get transferred in favour of the securitization/reconstruction company.

The Recovery of Debts due to Banks and Financial Institutions Act, 1993

The Recovery of Debts due to Banks and Financial Institutions Act, 1993 (the "**DRT Act**") provides for establishment of the Debts Recovery Tribunals ("**DRTs**") for expeditious adjudication and recovery of debts due to banks and public financial institutions or to a consortium of banks and public financial institutions. Under the DRT Act, the procedures for recovery of debt have been simplified and time frames have been fixed for speedy disposal of cases. The DRT Act lays down the rules for establishment of DRTs, procedure for making application to the DRTs, powers of the DRTs and modes of recovery of debts determined by DRTs. These include attachment and sale of movable and immovable property of the defendant, arrest of the defendant and defendant's detention in prison and appointment of receiver for management of the movable or immovable properties of the defendant. The DRT Act also provides that a bank or public financial institution having a claim to recover its debt may join an ongoing proceeding filed by some other bank or public financial institution against its debtor at any stage of the proceedings before the final order is passed, by making an application to the DRT.

The Insolvency and Bankruptcy Code, 2016

The Insolvency and Bankruptcy Code, 2016 (the "**IB Code**") was passed by both houses of the Parliament of India on May 11, 2016, and received the assent of the President of India on May 28, 2016. The IB Code primarily consolidates the existing insolvency laws, inter alia, relating to companies and bodies corporate with the objective of providing clarity and consistency in treatment to all the stakeholders in the insolvency process. The IB Code classifies creditors into financial creditors, and operational creditors which include the financial loans for interest and loans arising from the operational nature of the debtor respectively. The IB Code proposes to appoint specialised insolvency professionals to assist companies and bodies corporate through the insolvency process.

The IB Code provides a 180-day timeline which may be extended by 90 days when dealing with insolvency resolution applications. However, it is provided that corporate insolvency resolution process shall be mandatorily completed within 360 days from the date of commencement of insolvency regardless of any extension and time taken in legal proceedings in relation to such resolution process. Subsequently, the insolvency resolution plan prepared by the insolvency professionals has to be approved by 66% of voting share of financial creditors, which requires sanction by the adjudicating authority and, if rejected, the adjudicating authority will pass an order for liquidation. The National Company Law Tribunal will be the adjudicating authority with jurisdiction over companies and limited liability entities.

The IB Code aims to consolidate the laws relating to insolvency of companies and limited liability entities (including limited liability partnerships and other entities with limited liability), unlimited liability partnerships and individuals, presently contained in a number of legislations, into a single legislation. Such consolidation will provide for a greater clarity in law and facilitate the application of consistent and coherent provisions to different stakeholders affected by business failure or inability to pay debt.

Prudential Framework for Resolution of Stressed Assets Directions dated June 7, 2019

As per the Prudential Framework for Resolution of Stressed Assets Directions issued by RBI on June 7, 2019 ("**RBI Directions on Stressed Assets**"), lenders are required to recognise incipient stress in loan accounts, immediately in default, by classifying such assets as special mention accounts as per the categories mentioned in the RBI Directions on Stressed Assets. The lenders are also required to sign an inter-creditor agreement which shall, *inter alia*, provide that the decision taken by 75% of the lenders by value and 60% of the lenders by number binds all lenders.

IV. Revised Regulatory Framework for NBFCs

The RBI released a Discussion Paper dated January 22, 2021 on 'Revised Regulatory Framework for NBFCs – A Scale Based Approach' (the "NBFC Discussion Paper"), and had requested public comments thereon. Based on the inputs received, RBI on October 22, 2021 put in place a revised regulatory framework for NBFCs. These guidelines will be effective from October 1, 2022. The Revised Regulatory Framework for NBFCs contemplates the following layers of NBFCs:

i. **Base Layer:** The Base Layer shall comprise of (a) non-deposit taking NBFCs below the asset size of ₹1000 crore and (b) NBFCs undertaking the following activities- (i) NBFC-Peer to Peer Lending Platform (NBFCP2P), (ii) NBFC-Account Aggregator (NBFC-AA), (iii) Non-Operative Financial Holding Company (NOFHC) and (iv) NBFCs not availing public funds and not having any customer interface.

ii. **Middle Layer:** The Middle Layer shall consist of (a) all deposit taking NBFCs (NBFC-Ds), irrespective of asset size, (b) non-deposit taking NBFCs with asset size of ₹1000 crore and above and (c) NBFCs undertaking the following activities (i) Standalone Primary Dealers

(SPDs), (ii) Infrastructure Debt Fund – Non-Banking Financial Companies (IDF-NBFCs), (iii) Core Investment Companies (CICs), (iv) Housing Finance Companies (HFCs) and (v) Infrastructure Finance Companies (NBFC-IFCs).

iii. **Upper Layer:** The Upper Layer shall comprise of those NBFCs which are specifically identified by the Reserve Bank as warranting enhanced regulatory requirement based on a set of parameters and scoring methodology. The top ten eligible NBFCs in terms of their asset size shall always reside in the upper layer, irrespective of any other factor. Further, the RBI, pursuant to its circular dated June 6, 2022, has put in place provisioning norms in respect of 'standard' assets for NBFCs for the upper layer at certain specified rates.

iv. **Top Layer:** The Top Layer will ideally remain empty. This layer can get populated if the Reserve Bank is of the opinion that there is a substantial increase in the potential systemic risk from specific NBFCs in the Upper Layer.

The Revised Regulatory Framework for NBFCs also prescribes specific regulatory changes for each of the different layers in the regulatory structure, that is, capital guidelines, prudential guidelines, governance guidelines and the transition path. Further, the RBI, pursuant to its circular dated April 19, 2022 has also prescribed certain additional disclosure requirements to be made by NBFCs in their financial statements, applicable for annual financial statements for the year ending March 31, 2023 onwards.

V. Restrictions in Foreign Ownership applicable to our Company

The Consolidated FDI Policy Circular of 2020 (No. 5(2)/2020) dated October 15, 2020, as amended ("FDI Policy") issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT")

Foreign investment in NBFCs, carrying on activities approved for FDI, is subject to the conditions specified in Paragraph 3.8.3.1 of the FDI Policy. Pursuant to the FDI Policy, FDI of up to 100% is permitted under the automatic route in our Company. Foreign investment in securities issued by Indian companies, such as us, is also regulated by the RBI, including through the FEMA.

VI. The Digital Personal Data Protection Act, 2023 (the "DPDP Act" or the "Act")

The Parliament passed the DPDP Act on August 9, 2023. The DPDP Act received the assent of the President and was notified on August 11, 2023. The Act provides for the processing of digital personal data in a manner that recognises both the right of individuals to protect their personal data and the need to process such personal data for lawful purposes and for matters connected therewith or incidental thereto. The Act defines Data Principal as individuals to whom the personal data relates and Data Fiduciary as people determining the purpose and means of processing personal data. By virtue of the Act, all Data Fiduciaries are required to obtain free, informed and unconditional consent from individuals before processing their data. This consent should be accompanied or preceded by a notice including the details of personal data and the purpose for which the same is proposed to be processed. The jurisdiction of the Act also extends to the processing of digital personal data outside India if it is for offering goods or services or profiling individuals in India.

The DPDP Act further provides that where consent is the basis of processing personal data, the data principal providing the consent, may withdraw such consent at any time. Data principals will have the right to demand the erasure and correction of data collected by the data fiduciary. Any data processed prior to such withdrawal shall be considered lawful. An individual whose data is being processed (data principal), will have the right to: (i) obtain information about processing, (ii) seek correction and erasure of personal data, (iii) nominate another person to exercise rights in the event of death or incapacity, and (iv) grievance redressal. Data principals will have certain duties. They must not: (i) register a false or frivolous complaint, and (ii) furnish any false particulars or impersonate another person in specified cases. Violation of duties will be punishable with a penalty of up to ₹10,000.

The Act introduces the concept of 'deemed consent' in instances where the data principal provides personal data (i) to the data fiduciary voluntarily and for a legitimate purpose, (ii) for performance of function under any law, or service or benefit to the data principal, (iii) in compliance with a judgment or order, (iv) responding to medical emergency involving threat to life or immediate threat to health of the data principal, (v) for provision of medical treatment or health services during an epidemic, outbreak of diseases or any other public threat to public health, (vi) for taking measures to ensure safety during any disaster or any breakdown of public order, (vii) for purposes related to employment including prevention of corporate espionage, maintenance of confidentiality of trade secrets, intellectual property, classified information, recruitment, termination of employee.

The data can only be processed for the specific purpose for which it is deemed to be given and must be necessary for fulfilling the purpose for which it has been provided. It further imposes certain obligations on data fiduciaries including (i) in implementation of technical and organisational measures to ensure compliance, (ii) adopting reasonable security safeguards to prevent personal data breach, (iii) ensuring that personal data processed is accurate and complete, (iv) informing the Data Protection Board of India (the "Data Protection Board") regarding any personal data breach, (v) deleting or removing personal data no longer in use or necessary for legal or business purposes with exemption given to only start-ups registered with Ministry of Commerce and Industry, (vi) publishing the business contact information of the data protection officer, (vii) implementing a grievance redressal mechanism t o redress grievances of data principals, and (viii) processing of data to another data fiduciary under a valid contract.

The Act provides for the rights and duties to be complied by the data principals and also provides a tiered mechanism for grievance redressal. Individuals aggrieved under the law will be required to first approach the grievance redressal mechanism provided by the data fiduciary. Once they have exhausted this option, they will be allowed to approach the Data Protection Board. Appeals from the Data Protection Board will lie before the Telecom Disputes Settlement and Appellate Tribunal. Any form of noncompliance shall attract a financial penalty as prescribed in the Schedule of the Act which may extend to INR 2500 million.

VII. Laws related to environment

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India are the Water (Prevention and Control of Pollution) Act 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 and the rules and regulations thereunder and The Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. Pollution Control Boards ("**PCBs**"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state to control and prevent pollution. The PCBs are responsible for setting the standards for the maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking investigations to ensure that industries are functioning in compliance with the standards prescribed. All industries and factories are required to obtain consent orders from the PCBs, and these orders are required to be renewed annually.

VIII. Laws related to employment

We are subject to various labour laws for the safety, protection, conditions of working, employment terms and welfare of labour and/or our employees. We are required to comply with certain labour and industrial laws, which include the Employees' Provident Funds and Miscellaneous Provisions Act 1952, the Employees State Insurance Act, 1948, the Minimum Wages Act, 1948, the Maternity Benefit Act, 1961, the Payment of Bonus Act, 1965, Workmen's Compensation Act, 1923, the Payment of Gratuity Act, 1972, Contract Labour (Regulation and Abolition) Act, 1970, the Payment of Wages Act, 1936, Industrial Disputes Act, 1947, Industrial Employment (Standing Orders) Act, 1946, the Apprentices Act, 1961, the Trade Unions Act, 1926, Equal Remuneration Act, 1976, Public Premises (Eviction of Unauthorised Occupants) Act, 1971 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 among others.

The Code on Wages, 2019 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government. Certain provisions of this code pertaining to central advisory board, have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020 and May 3, 2023 and other provisions of this code will be brought into force on a date to be notified by the Central Government. Once effective, it will subsume the Equal Remuneration Act, 1976, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Payment of Wages Act, 1936.[*]

The Code on Social Security, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government and different date may be appointed for different provisions of the Code on Social Security, 2020. Once effective, it will subsume, inter alia, the Employees 'Compensation Act, 1923, the Employees 'State Insurance Act, 1948, the Employees Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Unorganised Workers' Social Security Act, 2008 and the Payment of Gratuity Act, 1972 and the Building and Other Construction Workers' Welfare Cess Act, 1996. Certain provisions of this code have been brought into force through a notification dated May 3, 2023 and other provisions of this code will be brought into force on a date to be notified by the Central Government.[**]

The Occupational Safety, Health and Working Conditions Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government. It will thereafter subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996.

The Industrial Relations Code, 2020 (enacted by the Parliament of India and assented to by the President of India) will come into force on such date as may be notified in the official gazette by the Central Government. It will thereafter subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.[***]

[*] *The Government of India enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. Certain provisions of this code pertaining to central advisory board have been brought into force by the Ministry of Labour and Employment through a notification dated December 18, 2020 and other provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.*

[**] *The Government of India enacted 'The Code on Social Security, 2020' which received the assent of the President of India on 28 September 2020. Section 142 of the Code on Social Security, 2020 has been brought into force from May 3, 2021 by the Ministry of Labour and Employment through a notification dated April 30, 2021 and other provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.*

[***] *The Government of India enacted 'The Industrial Relations Code, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the Central Government. It proposes to subsume three separate legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946.*

IX. Intellectual Property Laws

Certain laws relating to intellectual property rights such as copyright protection under the Copyright Act, 1957 (the "**Copyright Act**"), trademark protection under the Trademarks Act, 1999 (the "**Trademarks Act**"), for patent protection under the Patents Act, 1970 (the "**Patents Act**") and design protection under the Designs Act, 2000 **(**the **"Designs Act"**) are applicable to us. The Copyright Act governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Trademarks Act provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks. The Designs Act prescribes for registration of design. The Designs Act specifically lays down the essentials of a design to be registered and *inter alia*, provides for application for registration of designs, copyright in registered designs etc.

X. Electricity Act, 2003

The Electricity Act, 2003 ("**Electricity Act**") is the central legislation which covers, amongst others, generation, transmission, distribution, trading and use of electricity. It governs the establishment, operation and maintenance of any electricity generating company and prescribes technical standards in relation to the connectivity of generating companies with the grid. As per the provisions of the Electricity Act, generating companies are required to establish, operate and maintain generating stations, sub-stations and dedicated transmission lines. Further, the generating companies may supply electricity to any licensee or even directly to consumers, subject to availing open access to the transmission and distribution systems and payment of transmission charges, including wheeling charges and any other open access charges, as may be determined by the concerned electricity regulatory commission.

In accordance with Section 7 of the Electricity Act, a generating company may establish, operate and maintain a generating station without obtaining a license under the Electricity Act if it complies with the technical standards relating to connectivity with the grid prescribed under clause (b) of Section 73 of the Electricity Act.

Under Section 86 of the Electricity Act, the State Electricity Regulatory Commissions ("**SERCs**") are required to promote co-generation and generation of electricity from renewable sources of energy and sale of electricity to any person from sources other than the incumbent distribution licensee under the provisions of open access. The Electricity Act further requires the SERCs to specify, for the purchase of electricity from renewable sources, a percentage of the total consumption of electricity within the area of a distribution licensee, which has been implemented in the form of renewable purchase obligations ("**RPOs**").

Solar Park Scheme

The Ministry of New and Renewable Energy ("**MNRE**") has drawn a scheme to set up number of solar parks across various states in the country, each with a capacity of Solar Projects generally above 500 MW. The Scheme proposes to provide financial support by Government of India to establish solar parks with an aim to facilitate creation of infrastructure necessary for setting up new solar power projects in terms of allocation of land, transmission and evacuation lines, access roads, availability of water and others, in a focused manner.

The Solar Park is a concentrated zone of development of solar power generation projects. As part of Solar Park development, land required for development of Solar Power Projects with cumulative capacity generally 500 MW and above will be identified and acquired and various infrastructure like transmission system, water, road connectivity and communication network etc. will be developed. The parks will be characterized by well-developed proper infrastructure where the risk & gestation period of the projects will be minimized. At the state level, the solar park will enable the states to bring in significant investment from project developers in the Solar Power sector, to meet its Solar Purchase Obligation ("**SPO**") mandates and provide employment opportunities to local population. The state will also be able to reduce its carbon footprint by avoiding emissions equivalent to the solar park's generated capacity.

XI. Other Indian laws

In addition to the above, we are also governed by the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, foreign exchange and investment laws and foreign trade laws and other applicable laws and regulations imposed by the central and state government and other authorities for over day to day business, operations and administration.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated in Delhi as "Indian Renewable Energy Development Agency Limited", a public limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated March 11, 1987, issued by the Registrar of Companies, Delhi and Haryana. Our Company received a certificate of commencement of business dated March 21, 1987, by the RoC. Our Company was notified as a public financial institution under Section 4A of the Companies Act, 1956 by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India on October 17, 1995. Further, the Reserve Bank of India granted a certificate of registration to our Company on January 23, 2008 permitting us to commence/carry on the business of non-banking financial institution without accepting public deposits, and classified as an investment and credit company, which was further reclassified as an infrastructure finance company on March 13, 2023.

Impact of Reclassification to Infrastructure Finance Company

Our Company was reclassified as an infrastructure finance company by the Reserve Bank of India through a certificate of registration dated March 13, 2023. As a result of the said reclassification, there has been no change in the business profile of our Company, except in the exposure norms/ credit concentration applicable on our Company in line with the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, as amended (the "**Master Direction**"), which includes an increase in the concentration norms by 5% for single parties and 10% for group parties in comparison to the credit concentration norms of 25% of Tier 1 capital for single borrower/party and 40% of Tier 1 capital for single group of borrowers/parties. Accordingly, the current exposure norms/ credit concentration applicable to our Company for its lending business is up to 30% of Tier 1 capital for single borrower/party and up to 50% of Tier 1 capital for single group of borrowers/parties. Except as disclosed above, there is no impact of this reclassification on the lending business of our Company.

Changes in the Registered Office

As on the date of this Prospectus, the registered office of our Company is situated at India Habitat Centre, East Court, Core 4A, 1st Floor, Lodhi Road, New Delhi – 110 003, India. The details of the changes in the Registered Office are as follows:

Date of Change	Details of Change in the Registered Office	Reasons for change in the address of Registered Office
June 22, 1989	Registered office was shifted from Paryavaran Bhavan, Block B-4, 10th Floor, CGO Complex, Lodhi Road, New Delhi – 110 003, India to 3, Ring Road (First Floor), Kilokri, Opp. Maharani Bagh, New Delhi – 110 014, India.	Operational Convenience
October 31, 1994	Registered office of our Company was shifted from 3, Ring Road (First Floor), Kilokri, Opp. Maharani Bagh, New Delhi – 110 014, India to India Habitat Centre, East Court, Core 4A, 1st Floor, Lodhi Road, New Delhi – 110 003, India.	Operational Convenience

Main Objects of our Company

The main objects as contained in the Memorandum of Association are as follows:

1. *To operate a revolving fund for promoting and developing new and renewable and non-conventional sources of energy (NRSE).*

2. *To give financial support to specific projects and schemes for generating energy through non-conventional and renewable materials and sources.*

3. *To extend financial support to projects and schemes for: generating energy through renewables/ hybrid energy systems (conventional-cum-renewables or renewables and renewables); and conserving energy and/or energy efficiency of renewables/ conventional energy.*

4. *To provide financial support to manufactures of new and renewable sources of energy systems and devices.*

5. *To provide financial assistance for leasing out or to directly lease out NRSE (New and Renewable Sources of Energy) equipment to individuals and institutions.*

6. *To function as financial intermediary with the financial institutions on behalf of NRSE industries.*

7. *To undertake evaluation of the performance of the schemes for which financial assistance is granted by the Company.*

8. *To partially finance renovation and modernization of industries engaged in manufacturing NRSE systems and devices.*

9. *To partially finance schemes aimed at revival of the NRSE systems and devices, already established.*

10. *To finance partially, in collaborating with other financial institutions, innovative projects based on NRSE by providing seed money.*

11. *To partially finance maintenance and repair of capital equipment including facilities for repair of such equipment, training of manpower employed in this area.*

12. *To partially finance surveys, studies, schemes, experiments and research activities associated with various aspects of technology in energy development and supply through new and renewable sources of energy.*

13. *To promote, organize or carry on consultancy services in the related activities of the Company, referred to in paras (1) to (12) above.*

14. *To assist in promoting selected pilot and demonstration projects related to the activities of the Company.*

15. *To monitor periodically the progress of the projects financed by the Company.*

16. *To finance schemes/ projects for generating conserving energy, especially in rural areas.*

17. *To assist in the rapid commercialization of NRSE technologies, systems and devices.*

18. *To assist in upgradation of technologies in the country through appropriate means including their importation.*

19. *To own, develop, set up projects for generation in Solar, Wind & Hydro Power sectors and all other forms of renewable energies both grid connected and off-grid and all ancillary activities thereto including planning, investigation, design and preparation of preliminary feasibility and definite project Reports, construction, generation, comprehensive operation, maintenance, renovation and modernization of power stations and projects, associated transmission, distribution and sale, exchange of power generated at stations in India and abroad, either on its own or through subsidiary company or in joint venture with public or private sectors.*

20. *(a)* *To provide finance or financial services, in India or abroad, to the following;*

i. *entities engaged in generation, transmission, distribution or storage of Renewable Energy;*

ii. *other projects/ activities related to Renewable Energy including those which pertain to e-mobility;*

iii. *projects/ activities pertaining to energy efficiency; and*

iv. *activities referred to in clause 1 to 19 above.*

(b) *To develop/ issue/ float/ participate/ promote new financial instruments and/or products and to manage, services the same in relation to activities referred in Clause (a) above;*

I *To form, manage, participate in trusts/ funds/ factoring business, and to act as administrators/ managers/ sponsors/ authors of such entities as are formed in relation to activities referred in Clause(a) above; and*

(d) *To promote, undertake, manage or dispose of any special purpose entity or body corporate for carrying out the activities referred in Clause (a) above.*

The main objects to be pursued by our Company and the matters necessary in furtherance of the objects as contained in our Memorandum of Association enable our Company to carry on business presently being carried out.

Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of Shareholders' Resolution	Particulars
September 26, 2013	Clause III B of the Memorandum of Association was amended to incorporate the following as new sub-clause 3 in Part "B" relating to the main objects: *"3. To borrow, for the purposes of the Company, foreign currency or to obtain foreign lines of credit including commercial loans from any Bank or financial institution or Government/Authority in India or abroad up to eight times of IREDA's net worth. Provided that, if the borrowings exceeds eight times of IREDA's net worth, prior consent of President of India is required."*
April 6, 2015	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹10,000,000,000 divided into 10,000,000 Equity Shares of ₹1,000 each to ₹60,000,000,000 divided into 60,000,000 Equity Shares of ₹1,000 each.
April 6, 2015	Clause III A of the Memorandum of Association was amended to incorporate the following as new clause 19 in Part "A" relating to the main objects: *"19. To own, develop, set up projects for generation in Solar, Wind & Hydro Power sectors and all other forms of renewable energies both grid connected and off-grid and all ancillary activities thereto including planning, investigation, design and preparation of preliminary feasibility and definite project Reports, construction, generation, comprehensive operation, maintenance, renovation and modernization of power stations and projects, associated transmission, distribution and sale, exchange of power generated at stations in India and abroad, either on its own or through subsidiary company or in joint venture with public or private sectors."*
July 31, 2017	Clause B-3 of the Memorandum of Association was amended by substituting the existing clause 3 of Clause B relating to the incidental or ancillary objects under Clause III of the Memorandum of Association with below: "*3. To borrow and/or secure the payment of any sum or sums of money for the purpose of the Company from time to time subject to the applicable provisions of the Companies Act, 2013 and compliance of applicable Capital to Risk Assets Ratio (CRAR) prescribed by RBI"*
November 28, 2017	Clause V of the Memorandum of Association was amended to sub divide each equity share of ₹1,000 each to 100 Equity Shares of ₹10 each.
November 28, 2017	The set of existing Memorandum of Association of the Company was substituted with the new set of Memorandum of Association.
August 23, 2021	Clause III A of the Memorandum of Association was amended to incorporate the following as new clause 20 in Part "A" relating to the main objects: *"20. (a) To provide finance or financial services, in India or abroad, to the following;* *i. entities engaged in generation, transmission, distribution or storage of Renewable Energy;* *ii. other projects/activities related to Renewable Energy including those which pertain to e-mobility;* *iii. projects/activities pertaining to energy efficiency; and* *iv. activities referred to in clause 1 to 19 above.* *(b) To develop/issue/float/participate/promote new financial instruments and/or products and to manage, services the same in relation to activities referred in Clause (a) above;* *(c) To form, manage, participate in trusts/funds/factoring business, and to act*

Date of Shareholders' Resolution	Particulars
	as administrators/managers/sponsors/authors of such entities as are formed in relation to activities referred in Clause(a) above; and *(d) To promote, undertake, manage or dispose of any special purpose entity or body corporate for carrying out the activities referred in Clause (a) above.*

Major Events in the history of our Company

The table below sets forth the key events in the history of our Company:

Calendar Year	Event
1987	Incorporated as a public limited company
1995	The GoI notified our Company as Public Financial Institution under section 4(A) of the Companies Act
1997	We signed our first loan agreement with Asian Development Bank for line of credit of US$100 million
2008	Reserve Bank of India granted a certificate of registration to our Company to commence/carry on the business of non-banking financial institution without accepting public deposits, and classified us as an investment and credit company
2010	We got upgraded from 'Schedule C' to 'Schedule B' Central Public Sector Enterprise
2015	We were granted "Mini-Ratna" (Category-I) status by MNRE
2016	We set up a 50 MW Solar Project in Kerala
2017	We became the first Indian financial institution to raise 'Green Masala Bonds' listed on London Stock Exchange/Singapore Stock Exchange
2019	We issued our first subordinated debt (Tier-2 capital) aggregating to ₹1,500 million
2020	We signed an MOU with SJVN to provide techno-commercial Consultancy in the field of Renewable Energy
2020-21	We opened branch offices in Western India (Mumbai) and Eastern India (Bhubaneswar)
2021	We signed MOUs with: (1) NHPC to provide techno-commercial consultancy in the field of renewable energy. (2) Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) to provide advisory services such as market assessment; greenfield project development; bid process management and implementation support and also debt raising services. (3) North-Eastern Electric Power Corporation Limited (NEEPCO) to provide advisory services such as market assessment; greenfield project development; bid process management and implementation support and also debt raising services. (4) Brahmaputra Valley Fertilizer Corporation Limited to provide advisory services such as market assessment; greenfield project development; bid process management and implementation support and also debt raising services. (5) THDC India Limited (THDCIL) to undertake techno-financial due diligence of renewable energy and energy efficiency & conservation projects.
2022	We signed MOUs with; (1) Goa Shipyard Limited, and Central Institute of Petrochemicals Engineering and Technology, to provide techno-commercial consultancy services in the field of renewable energy; (2) Bank of India (BOI) for co-lending/consortium lending for renewable energy project
2023	Reserve Bank of India granted a renewed certificate of registration to our Company to commence/ carry on the business of non-banking financial institution without accepting public deposits, and classified us as an infrastructure finance company
2023	ICRA Ratings Limited upgraded our debt instruments rating to 'AAA' Stable
2023	We signed MOUs with: (1) Bank of Maharashtra (BOM) for co-lending/consortium lending for renewable energy project (2) Mahatma Phule Renewable Energy and Infrastructure Technology (MAHAPREIT) to provide techno-commercial consultancy in the field of renewable energy;
2023	India Ratings upgraded our debt instruments rating to 'IND AAA'/Stable
2023	DPE approved upgradation of our Company from 'Schedule B' to 'Schedule A' Central Public Sector Enterprise

Awards and Accreditations

The table below sets forth the key awards and accreditations received by our Company:

Calendar Year	Particulars
1999	Received "Word Climate Technology Award for the year 1999" from Climate Technology Initiative (CTI), Paris, France
2010	Received the "Rajiv Gandhi National Quality Award, 2010" from Bureau of Indian Standards
2012	Received Gold Trophy of "SCOPE meritorious Award for Best Managed Bank, Financial Institution or

Calendar Year	Particulars
	Insurance Company" for the year 2011-12
2013	Received India Pride Award for "Excellence in Financial Sector, Government NBFCs" for the year 2013-14
2014	Received "SCOPE award for Excellence and Outstanding Contribution to the PSE Management 2013-14 – Institutional Category III (Other Profit Making PSEs)"
2016	Received "Outstanding Performance Award 2016" in the Category of Non-Banking Financing Companies (Public Sector) for "Highest lending by a Public Sector NBFC in Renewable Energy Space" by MNRE
2016	Received "Golden Peacock Award for Excellence in Corporate Governance" from Institute of Directors
2017	Received "Best Financial Performance (Mini Ratna Company) Award from Hindustan Newspaper at the Hindustan Ratna PSU Award 2017
2017	Received the "2017 Best Performing Project Award" from the Department of Economic Affairs, Ministry of Finance, Government of India and the Asian Development Bank
2018	Received the "Deal of the Year" award at the UK-India Awards for issue of masala bonds listed at London Stock Exchange
2019	Received the CBIP Award 2019 for "Best Financing Agency in Renewable Energy"
2022	Received the 2nd Edition of Green Urja and Energy Efficiency Awards in 2022 in the category of Top Financing Institutions for RE & EE.
2022	Received an award for 'Best performing NBFC for highest Loan Sanctions and Disbursements in 2021-22 in the Renewable Energy Sector' by the Association of Renewable Energy Agencies of States (AREAS)
2023	Received in the 12th PSE Excellence Awards – Indian Chamber of Commerce, (i) Company of the Year under Mini-Ratna category, (ii) CMD of the Year under Mini-Ratna category, and (iii) Operational Performance Excellence (1st runner-up) under Mini-Ratna category.
2023	Received Central Board of Irrigation and Power Awards 2022' for Outstanding Contribution to the Development of Renewable Energy

For details in relation to accreditations received by our Company, see "*Our Business – Quality Management Certifications*" on page 258.

Time and Cost Overruns

Our Company has not experienced any time/ cost overruns pertaining to its business operations.

Details of any capacity/ facility creation or location of plants

Our Company owns a 50 MW solar photovoltaic power project in the Ambalathara solar park, District Kasaragod, in the state of Kerala. This project was fully commissioned on September 14, 2017. For further details, please see "*Our Business*" on page 219.

Defaults or rescheduling or restructuring of borrowings with financial institutions or banks

There have been no defaults or rescheduling of borrowings with financial institutions or banks in relation to borrowings availed by our Company from any financial institutions or banks. For further information of our financing arrangements, please see "*Financial Indebtedness*" on page 567.

Lock-out and strikes

As on the date of this Prospectus, there have been no lock-outs or strikes at any time in our Company.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see "*Our Business*" on page 219.

Significant financial and strategic partners

As on the date of this Prospectus, our Company does not have any significant financial or strategic partners.

Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any material merger, amalgamation or any revaluation of assets in the preceding 10 years.

Details of shareholders' agreements

Our Company does not have any subsisting shareholders' agreement as on the date of this Prospectus.

Agreements with Promoter, Directors, Senior Management Personnel, Key Managerial Personnel or any other employee

There are no agreements entered into by our Promoter, Directors, Senior Management Personnel, Key Managerial Personnel or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Inter-se arrangement/ agreement

There are no other subsisting inter-se agreements/ arrangements and clauses/ covenants which are material and that there are no other clauses/ covenants which are adverse/ pre-judicial to the interest of the minority/ public shareholders. Also, that there are no other subsisting agreements, deed of assignments, acquisition agreements, shareholders' agreement, inter-se agreements, agreements of like nature other than disclosed in this Prospectus.

Key terms of other subsisting material agreements

Other than as disclosed below, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business:

Memorandum of understanding dated August 21, 2023, between the MNRE and our Company

Our Company enters into an annual memorandum of understanding with the MNRE. For Fiscal 2024 and 2025, our Company has executed memorandum of understandings dated August 21, 2023 ("**MoU**") wherein certain financial and other compliance parameters have been prescribed for our Company.

Special rights to the Promoter

While there are no special rights available to our Promoter pursuant to any agreements, however, being a central public sector enterprise ("**CPSE**") company, the Articles of Association of our Company, in line with the Companies Act, 2013, along with the rules and notifications made thereunder, each as amended, the DPE Guidelines, and other rules, regulations, directives, recommendations, guidelines, and circulars, applicable to a CPSE, provides the following rights in connection with nomination/ removal/ appointment/ remuneration of directors and certain other rights to our Promoter, which would survive post listing of the Equity Shares of the Company:

1. Appointment of Chairman-cum-Managing Director, Functional Directors, Directors and their terms of office;
2. Appointment of Additional Director(s) by the Board of the Company, subject to the approval of the administrative ministry;
3. Appointment of Nominee Directors(s) by the Board of the Company nominated by any debenture trustee, subject to the approval of the administrative ministry;
4. Remuneration of Directors;
5. Removal of Directors;
6. Filling of vacancies of Directors;
7. Prior approval in respect to certain company matters; and
8. Issuance of directives or instructions in regard to the conduct of business and affairs of the Company.

For further details, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 647.

Our holding company

As on the date of this Prospectus, our Company has no holding company.

Our subsidiaries, associates, and joint ventures

As on the date of this Prospectus, our Company does not have any subsidiaries, associates, and joint ventures.

Guarantees given by our Promoter Selling Shareholder

Except as disclosed below, the Promoter Selling Shareholder has not provided guarantees to any third parties, in relation to loans availed by our Company as on the date of this Prospectus:

S. No	Guarantee given in favour of	Guarantee amount outstanding as at September 30, 2023 (in millions)		Reason	Obligation on our Company – guarantee fee payment as a 1% of outstanding loam as on April 1 every year	Period/ Term (in years)	Security Available	Financial implications in case of default	Consideration
		In INR (₹)	In USD ($) of the outstanding rupee loans**						
1.	AFD	3,077.83	37.06	To provide guarantee for the loan and interest being availed from multilateral/ bilateral agencies	1.20%	20	Guarantee fee payment	Guarantee fees to be charged at double the normal rate for the period of default in relation to the loans availed by the Company	Promoter guarantee fee provided by the Company to the Promoter in relation to the guarantee given on the loans availed by the Company
2.	KWF-I	1,703.34	20.51		1.20%	40			
3.	KWF-III	1,551.84	18.68		1.20%	40			
4.	EIB-1 (Tranche I)	1,264.64	15.23		1.20%	20			
5.	EIB-1 (Tranche II)	4,318.23	51.99		1.20%	20			
6.	EIB-1 (Tranche III)	8,649.64	104.14		1.20%	20			
7.	JICA-I	14,701.16	177.00		1.20%	30			
8.	JICA-II	16,726.26	201.38		1.20%	30			
9.	ADB-II	12,735.56	153.33		1.20%	20			
10.	World Bank-IBRD-III*	1,619.11	19.49		0.50%	19			
11.	World Bank-CTF*	580.00	6.98		0.50%	40			
12.	KFW-VII	2,807.19	33.80		0.60%	15			

* *80% exposure is guaranteed by the Government of India*

** *INR amount outstanding as on September 30, 2023, as per our books have been converted into equivalent USD based on the RBI exchange rate as on September 30, 2023, for USD/INR i.e., 83.06.*

OUR MANAGEMENT

Board of Directors

The Companies Act, 2013 and Articles of Association require that our Board shall comprise of not less than three Directors and not more than 15 Directors.

As on the date of this Prospectus, our Board comprises of eight Directors, including the Chairman and Managing Director, the Director (Finance), two Government Nominee Directors and four Independent Directors. Out of the four Independent Directors, one is an independent woman director.

The following table sets forth details of our Board of Directors as on the date of this Prospectus:

S. No.	Name, designation, date of birth, address, occupation, term, period of directorship, and DIN	Age (years)	Other directorships
1.	**Pradip Kumar Das** ***Designation*****:** Chairman and Managing Director and additional charge of the post of Director (Technical) ***Date of birth*****:** June 26, 1966 ***Address*****:** D-2/127 Kaka Nagar, Sunder Nagar Market, Lodhi Road, Central Delhi, New Delhi – 110 003 ***Occupation*****:** Service ***Period of directorship*****:** Director since May 6, 2020 ***Current term*****:** For a period of five years with effect from May 6, 2020 or until the date of superannuation or until further orders from MNRE, whichever is earlier. ***DIN*****:** 07448576	57	Nil
2.	**Dr. Bijay Kumar Mohanty** ***Designation*****:** Director (Finance) ***Date of birth*****:** June 15, 1970 ***Address*****:** House No.- 474, In front of St. Angles Secondary School, Kanhai, Sector- 45, Gurugram, Haryana – 122 003 ***Occupation*****:** Service ***Period of directorship*****:** Director since October 12, 2023 ***Current term*****:** For a period of five years with effect from October 12, 2023 or until further orders from MNRE, whichever is earlier. ***DIN*****:** 08816532	53	Nil
3.	**Ajay Yadav** ***Designation*****:** Government Nominee Director ***Date of birth*****:** December 31, 1976	46	Nil

S. No.	Name, designation, date of birth, address, occupation, term, period of directorship, and DIN	Age (years)	Other directorships
	Address: D1/93, Satya Marg, Chanakyapuri, New Delhi – 110 011, India ***Occupation***: Government Service ***Period of directorship***: Director since February 14, 2023* ***Current term***: Until further orders in this respect ***DIN***: 10046617		
4.	**Padam Lal Negi** ***Designation***: Government Nominee Director ***Date of birth***: November 22, 1966 ***Address***: C1/73, Bapa Nagar, near Delhi High Court, Central Delhi, New Delhi – 110 003, India ***Occupation***: Government Service ***Period of directorship***: Director since February 7, 2023 ***Current term***: Until further orders in this respect ***DIN***: 10041387	57	• Pawan Hans Limited • AI Airport Services Limited • AI Engineering Services Limited • AI Assets Holding Limited • Solar Energy Corporation of India Limited • Airport Authority of India
5.	**Shabdsharan Narharibhai Brahmbhatt** ***Designation***: Independent Director ***Date of birth***: August 19, 1964 ***Address***: C-6, Tirupati Duplex, Muktinagar, Behind Besil School, Tandalja Road, Vadodara – 390 020, Gujarat ***Occupation***: Lawyer ***Period of directorship***: Director since January 28, 2022* ***Current term***: For a period of three years with effect from January 21, 2022 or until further orders from MNRE, whichever is earlier. ***DIN***: 09483059	59	Nil
6.	**Dr. Jaganath Chennakeshava Murthy Jodidhar** ***Designation***: Independent Director ***Date of birth***: March 8, 1974 ***Address***: #T-01, Fortuna Icon Apartment, Jodidhar Ashwathappa Farm, F Block, Sahakarnagar, Bengaluru North – 560 092, Karnataka ***Occupation***: Doctor	49	Nil

S. No.	Name, designation, date of birth, address, occupation, term, period of directorship, and DIN	Age (years)	Other directorships
	Period of directorship: Director since March 31, 2022* ***Current term***: For a period of three years with effect from March 28, 2022 or until further orders from MNRE, whichever is earlier. ***DIN***: 09556253		
7.	**Ram Nihal Nishad** ***Designation***: Independent Director ***Date of birth:*** January 1, 1965 ***Address:*** Ankaripur, Gosainganj, Ayodhya, Ankaripur, Faizabad – 224 141, Uttar Pradesh ***Occupation:*** Lawyer ***Period of directorship:*** Director since March 9, 2023* ***Current term:*** For a period of three years with effect from March 6, 2023 or until further orders from MNRE, whichever is earlier. ***DIN:*** 10064841	58	Nil
8.	**Rohini Rawat** ***Designation***: Independent Director ***Date of birth***: September 20, 1967 ***Address***: 85, Loar Bazar, Joshimath, Chamoli, Uttarakhand – 246 443 **Occupation:** Social worker ***Period of directorship:*** Director since March 9, 2023* ***Current term:*** For a period of three years with effect from March 6, 2023 or until further orders from MNRE, whichever is earlier. ***DIN***: 10064820	56	Nil

** the date of allotment of DIN*

Brief Biographies of Directors

Pradip Kumar Das is the Chairman and Managing Director of our Company. He is also holding additional charge of the post of Director (Technical) of our Company. He has been a Director of our Company since May 6, 2020. He holds a Bachelors' Degree in Commerce from the University of Calcutta and a Post Graduate Diploma in Management from Xavier Institute of Management, Bhubaneswar. He is a fellow member of the Institute of Cost Accountants of India and a member of the Institute of Company Secretaries of India. He has over 30 years of experience in various sectors such as power, renewable energy, banking and finance at various public and private organisations. He has previously held the additional charge of the post of Director (Finance) (from May 6, 2020 to November 5, 2022) on our Board. Prior to joining our Company, he was the Director (Finance) of India Tourism Development Corporation Limited. He has also previously worked with REC Limited, Bharat Heavy Electricals Limited, Nuclear Power Corporation Limited, Bharat Heavy Plate and Vessels Limited and Kusum Products Limited.

Dr. Bijay Kumar Mohanty is the Director (Finance) of our Company. He has been a Director of our Company since October 12, 2023. He also holds the position of Chief Financial Officer of our Company since October 16, 2023. He is a fellow member of the Institute of Cost Accountants of India. He holds a bachelors' degree in commerce and masters' degrees in philosophy (commerce) and public administration from Utkal University, Odisha. He also holds a masters' degree in commerce from the Delhi University, a LLB certificate from Capital Law College, Bhubaneshwar and a doctorate of philosophy in commerce from the Kalinga Institute of Industrial Technology, Bhubaneswar. He has over 25 years of experience in the Indian power sector and has experience in finance, accounts, commercial, project appraisal, execution and management, and legal functions. Prior to joining our Company, he worked as the head of division (smart metering) at REC Power Development and Consultancy Limited (RECPDCL), and senior general manager (finance and accounts) at REC Limited. During his tenor at REC Limited, he also worked as chief program manager of Tripura, Nagaland, Mizoram and Bhubaneswar. He also acted in the capacity of chief executive officer of FACOR Power Limited. Further, he has previously worked at Central Electricity Supply Company of Orissa Limited (CESCO) and Grid Corporation of Orissa Limited. He has also made significant contributions in the implementation of Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) schemes of the Government of India in the state of Odisha**.**

Ajay Yadav is the Government Nominee Director of our Company. He has been a Director of our Company since February 14, 2023. He is an Indian administrative service officer of the Bihar cadre from the batch of 2005. He is currently the joint secretary in the Ministry of New and Renewable Energy, Government of India. He holds a bachelors' degree in engineering (mechanical) from the Indian Institute of Technology, Roorkee. He has over 18 years of experience in administration. He started his career as an assistant collector in Patna, Bihar, and has subsequently held several important positions with the State Government of Bihar, in various departments including revenue administration planning and agriculture/horticulture. He has also worked in various ministries of the Government of India such as the Ministry of Consumer Affairs, the Department of Food and Public Distribution and the Ministry of Civil Aviation.

Padam Lal Negi is the Government Nominee Director of our Company. He has been a Director of our Company since February 7, 2023. He is, currently, the joint secretary and finance adviser in the Ministry of Civil Aviation and the Ministry of New and Renewable Energy, Government of India (additional charge). He holds a bachelors' degree in arts and masters' degrees in political science and sociology from the Panjab University. He has over 30 years of experience in administration. He joined the Government of India as the Indian defence accounts service officer in 1992 in the Defence Accounts Department, Ministry of Defence, Government of India. Prior to holding this position, he worked as the integrated financial adviser (BR), Delhi Cantonment Board, Ministry of Defence, Government of India. He has also held various important positions in the Ministry of Social Justice & Empowerment, Government of India and in the Andaman and Nicobar Command, among others.

Shabdsharan Narharibhai Brahmbhatt is a part time non-official Director (Independent Director) of our Company. He has been a Director of our Company since January 28, 2022. He holds bachelors' degrees in law and in commerce from the Maharaja Sayajirao University of Baroda. He is also a member of the Baroda Bar Association. Previously, he has been the chairman and municipal councillor of the Standing Committee of the Vadodara Municipal Corporation, and the mayor of the Baroda Municipal Corporation (BMC).

Dr. Jaganath Chennakeshava Murthy Jodidhar is a part time non-official Director (Independent Director) of our Company. He has been a Director of our Company since March 31, 2022. He holds a bachelor's degree in medicine from Kuevempu University, Karnataka and a doctor of medicine degree in internal medicine from Kathmandu University, Nepal. He has over 23 years of experience in the medical industry. He is currently working as a consultant physician at Narayan Hospital, Thindlu and as a diabetologist at Prolife Hospital, Byatarayanpura, Bengaluru. He is also the treasurer of the Indian Medical Association, Yelahanka Branch. He has been awarded the Nobel Laureate Mother Teresa State Awards, 2016 in the category of 'The Best Doctor' by the Newspaper Association of Karnataka.

Ram Nihal Nishad is a part time non-official Director (Independent Director) of our Company. He has been a Director of our Company since March 9, 2023. He holds a bachelors' degree in law and in commerce from Awadh University, Faizabad. He is a lawyer and a member of the Bar Council of Uttar Pradesh.

Rohini Rawat is a part time non-official Director (Independent Director) of our Company. She has been a Director of our Company since March 9, 2023. She holds a masters' degree in economics from Rohilkhand University, Bareilly. She is a member of the Uttaranchal Women Empowerment and Child Welfare Centre and was awarded the "Chief Minister Nirmal Nagar Award" in 2016-17. She is a social worker and has also been an active volunteer in Samanvay where she was awarded "Leader of the Year" in 2001.

Relationship between our Directors

None of our Directors are related to each other.

Confirmations

None of our Directors is or was a director of any listed company during the five years immediately preceding the date of this Prospectus, whose shares have been or were suspended from being traded on any stock exchange during the term of their directorship in such company.

None of our Directors is, or was a director of any company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or a Fraudulent Borrower issued by the RBI.

Arrangement or understanding with major Shareholders, customers, suppliers, or others pursuant to which our Directors were selected as a Director or Senior Management Personnel

Except as stated in "*History and Certain Corporate Matters – Special rights to the Promoter*" on page 282, there are no arrangements or understanding with the shareholder of the Company, the President of India, acting through the Ministry of New and Renewable Energy, Government of India, and major customers, suppliers or others, pursuant to which any of the Directors were selected or appointed as a Director or Senior Management Personnel.

For further details, see *"Description of Equity Shares and Terms of the Articles of Association"* on page 647.

Service contracts with Directors

None of the Directors of our Company have entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Terms of appointment and remuneration of our Functional Directors

Pradip Kumar Das, Chairman and Managing Director

Pradip Kumar Das was appointed as our Chairman and Managing Director with effect from May 6, 2020, pursuant to MNRE Order No.340-11/3/2019-IREDA dated May 5, 2020 and board resolution dated May 16, 2020. He assumed additional charge of the post of Director (Technical) of the Company *vide* Office Order No.1/13/2017-IREDA dated August 30, 2023, for a period of one year with effect from March 05, 2023 or till appointment of a regular incumbent to the post, or until further orders, whichever is the earliest. He was paid a gross total remuneration of ₹6.76 million in Fiscal 2023. The terms of remuneration are as follows:

Particulars	Terms of Remuneration
Basic Salary	₹190,240 per month in the pay scale of ₹180,000 - ₹320,000 with effect from May 6, 2020.
Annual increment	3% on his basic pay on the anniversary date of his appointment in the scale mentioned above and further increments on the same date in subsequent years until the maximum of his pay as per the scale mentioned above is reached.
Perquisites and Benefits	Benefits such as leaves, residential accommodation/house rent allowance, and recovery of rent for the accommodation so provided, dearness allowance, performance related payment, superannuation benefits etc. are received.

Dr. Bijay Kumar Mohanty, Director (Finance)

Dr. Bijay Kumar Mohanty was appointed as our Director (Finance) with effect from October 12, 2023, pursuant to MNRE Order F. No. 1/22/2017-IREDA dated October 12, 2023 and board resolution dated October 16, 2023, where he has been appointed for a period of 5 years or until further orders, whichever is earlier.

The terms of remuneration are as follows:

Particulars	Terms of Remuneration
Basic Salary	₹164,100 per month in the pay scale of ₹160,000 - ₹290,000 for a period of five years with effect from October 12, 2023
Annual increment	3% on his basic pay on the anniversary date of his appointment in the scale mentioned above and further increments on the same date in subsequent years until the maximum of his pay as per the scale mentioned above is reached. After reaching the maximum of the scale mentioned above, one stagnation increment equal to the rate of last increment drawn will be granted after completion of every two year period from the date he reaches the maximum of his pay scale provided he gets a performance rating of "Good" or above. He will be granted the maximum of three such stagnation increments.
Perquisites and Benefits	Benefits such as house rent allowance/residential accommodation and recovery of rent for the accommodation so provided/company's own accommodation/leased accommodation, dearness allowance, leaves, club memberships, performance related payment, superannuation benefits etc. are received.

Terms of appointment and remuneration of our Government Nominee Directors

Ajay Yadav, Government Nominee Director

Ajay Yadav was appointed as our Government Nominee Director with effect from February 14, 2023, pursuant to MNRE Order No. 340/85/2017-IREDA dated February 7, 2023 and board resolution dated February 28, 2023. Our Company is not required to pay any remuneration to the Government Nominee Director. Accordingly, no remuneration was paid to him by our Company during Fiscal 2023.

Padam Lal Negi, Government Nominee Director

Padam Lal Negi was appointed as our Government Nominee Director with effect from February 7, 2023, pursuant MNRE Order No. 340/85/2017-IREDA dated February 7, 2023 and board resolution dated February 28, 2023. Our Company is not required to pay any remuneration to the Government Nominee Director. Accordingly, no remuneration was paid to him by our Company during Fiscal 2023.

Terms of appointment and remuneration of our Independent Directors

Pursuant to the board resolution dated May 16, 2020, the part-time non-official directors (Independent Directors) are entitled to receive a sitting fee of ₹40,000 per meeting for attending meetings of our Board and ₹30,000 per meeting for attending the meetings of the committees of our Board.

Shabdsharan Narharibhai Brahmbhatt, Independent Director

Shabdsharan Narharibhai Brahmbhatt was appointed as our part-time non-official Director (Independent Director) with effect from January 28, 2022 pursuant to MNRE Order No. 340-11/1/2018-IREDA dated January 21, 2022 and board resolution dated February 4, 2022. He was paid sitting fees amounting to ₹2.33 million in Fiscal 2023.

Dr. Jaganath Chennakeshava Murthy Jodidhar, Independent Director

Dr. Jaganath Chennakeshava Murthy Jodidhar was appointed as our part-time non-official Director (Independent Director) with effect from March 31, 2022 pursuant to MNRE Order No. 340-11/1/2018-IREDA dated March 28, 2022 and board resolution dated April 18, 2022. He was paid sitting fees amounting to ₹1.81 million in Fiscal 2023.

Ram Nihal Nishad, Independent Director

Ram Nihal Nishad was appointed as our part-time non-official Director (Independent Director) with effect from March 9, 2023 pursuant to MNRE Order No. 340-11/1/2018-IREDA dated March 6, 2023 and board resolution dated March 15, 2023. He was paid sitting fees amounting to ₹0.21 million in Fiscal 2023.

Rohini Rawat, Independent Director

Rohini Rawat was appointed as our part-time non-official Director (Independent Director) with effect from March 9, 2023 pursuant to MNRE Order No. 340-11/1/2018-IREDA dated March 6, 2023 and board resolution dated March 15, 2023. She was paid sitting fees amounting to ₹0.21 million in Fiscal 2023.

Shareholding of our Directors in our Company

As per our Articles of Association, our Directors are not required to hold any qualification shares.

Except as disclosed below, as on the date of this Prospectus, none of our Directors hold any Equity Shares in our Company:

Name of the Director	Number of Equity Shares held
Ajay Yadav*	100

**Acting as a nominee of our Promoter.*

Bonus or profit-sharing plan for our Directors

As on date of this Prospectus, our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Interest of Directors

Our Chairman and Managing Director, and Director (Finance) may be interested in the Company to the extent of remuneration payable to them for leading the day-to-day business of our Company as well as to the extent of reimbursement of expenses payable to them.

All our Independent Directors may be deemed to be interested in the Company to the extent of sitting fees payable to them for attending meetings of our Board and/or committees thereof, as approved by our Board, as well as to the extent of reimbursement of expenses payable to them.

The Government Nominee Director are not required to be paid any remuneration by our Company. Accordingly, the Government Nominee Directors have no interest in our Company.

Our Directors may be interested to the extent of Equity Shares, if any, held by them and their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members or trustees, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares. For details, see "— *Shareholding of Directors in our Company*" on page 290.

Our Company has extended certain loans to Pradip Kumar Das, our Chairman and Managing Director, in the past. Other than Pradip Kumar Das, none of the Directors have any loans outstanding with our Company. For further details, see "*Risk Factors – Our Company has granted loans to our Directors, KMPs and Senior Management Personnel and there can be no assurance that we will be able to recover such loans in a timely manner, or at all."* and *"Related Party Transactions"* on page 67 and 519, respectively.

Except as disclosed in in *"Restated Financial Information"* on page 321, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration and sitting fees for services rendered as Directors. Further, except as stated in "*Restated Financial Information"* on page 321, our Directors do not have any other interest in our business.

Our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners.

None of our other Directors have any interest in the promotion or formation of our Company.

Further, our Directors are not interested in any property acquired by our Company, or in any property that is or proposed to be acquired by it. Further, none of our Directors are interested in any transaction for the acquisition of land, construction of building, or supply of machinery, etc.

There is no material existing or anticipated transaction whereby Directors, Key Managerial Personnel and Senior Management Personnel will receive any portion of the proceeds from the Offer.

Borrowing Powers of our Board

Pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, and the Articles of Association of the Company, the Shareholders of our Company through its resolution dated July 31, 2017, accorded consent to the Board of Directors of our Company for borrowing, from time to time, any sum or sums of monies, which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from our Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of our Company and its free reserves provided that the total amount as borrowed by the Board shall not at any time exceed 15 times of our Company's net worth.

Changes in the Board in the last three years

Name of the Director	Date of Appointment/ Change/ Cessation*	Reason for change
Gangidi Manohar Reddy	March 18, 2021	Cessation
Madhusri Manjunatha Swamy	March 18, 2021	Cessation
Bhanu Pratap Yadav	July 8, 2021	Cessation
Dinesh Dayanand Jagdale	July 8, 2021	Appointment
Shabdsharan Narharibhai Brahmbhatt	January 28, 2022#	Appointment
Dr. Jaganath Chennakeshava Murthy Jodidhar	March 31, 2022#	Appointment
Vimalendra Anand Patwardhan	October 26, 2022	Cessation
Dinesh Dayanand Jagdale	February 7, 2023	Cessation
Padam Lal Negi	February 7, 2023	Appointment
Ajay Yadav	February 14, 2023#	Appointment
Chintan Navinbhai Shah	March 5, 2023	Cessation
Ram Nihal Nishad	March 9, 2023#	Appointment
Rohini Rawat	March 9, 2023#	Appointment
Dr. Bijay Kumar Mohanty	October 12, 2023*	Appointment

* *Does not include regularisation of additional directors*
\# *The date of allotment of DIN*

Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 and DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, the provisions relating to corporate governance prescribed under the SEBI Listing Regulations will be applicable to us immediately upon listing of the Equity Shares on the Stock Exchanges. Except as disclosed below, we are in compliance with the requirements of the applicable regulations, including the Companies Act, SEBI ICDR Regulations and SEBI Listing Regulations in respect of corporate governance including constitution of the Board and committees thereof and formulation of policies (except in relation to the exemption sought by our Company from SEBI, as described below). The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, as required under law.

Our Board has been constituted in compliance with the SEBI Listing Regulations. The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas.

In accordance with the MCA notification, dated June 5, 2015, the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises and pursuant to our Articles, matters pertaining to the appointment, and remuneration of our Directors and performance evaluation of our Directors are determined by the President of India, acting through the Ministry of New and Renewable Energy, Government of India. Further, our Statutory Auditors are appointed by the Comptroller and Auditor General of India. Accordingly, in so far as the abovementioned matters are concerned, the terms of reference of our Nomination and Remuneration Committee and Audit Committee only allow these committees to take on record the actions of the President of India or the Comptroller and Auditor General of India, as the case may be. Further, the Nomination and Remuneration Committee neither has the power to formulate any criteria/policy to determine qualifications, positive attributes, independence, or remuneration of the directors nor does it have power to formulate criteria for evaluation of performance of our Directors. To this extent, the terms of reference of the Nomination and Remuneration

Committee and the Audit Committee are precluded from being consistent with the role of a nomination and remuneration committee and an audit committee under the SEBI Listing Regulations.

Accordingly, in relation to the above matters, our Company had filed an exemption letter with the SEBI dated September 7, 2023 under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations seeking certain exemptions including from the relevant provisions of the SEBI Listing Regulations. SEBI, *vide* its letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/40948/1 dated October 4, 2023, has granted our Company an exemption from the corporate governance compliances in relation to the terms of reference of the Nomination and Remuneration Committee as specified under Regulation 19(4) read with Schedule II – Part D and Regulation17(6)(a) of the SEBI Listing Regulations, and in relation to the terms of reference of the Audit Committee under Regulation 18(3) read with point (2) of para (A) under Schedule II – Part C of the SEBI Listing Regulations, until listing of the Equity Shares of our Company. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further details, see "*Summary of the Offer Document – Exemption from complying with any provisions of securities laws granted by SEBI*" on page 33.

Committees of our Board

Audit Committee

The Audit Committee of our Board consists of 4 members. The members of the Audit Committee are:

S. No.	Name and designation of Director	Committee designation
1.	Shabdsharan Narharibhai Brahmbhatt, Independent Director	Chairman
2.	Padam Lal Negi, Government Nominee Director	Member
3.	Rohini Rawat, Independent Director	Member
4.	Ram Nihal Nishad, Independent Director	Member

The Audit Committee was constituted by the Board on March 13, 2001 and last re-constituted through circular resolution passed on March 20, 2023 and noted by the Board on March 24, 2023. The terms of reference of the Audit Committee were last revised pursuant to board resolution dated July 27, 2023. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations (except to the extent that the statutory auditors of our Company are appointed by CAG, as our Company is a government company) and its terms of reference include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.

2. To take note of the appointment and the terms of appointment of the auditors of the Company by the Comptroller and Auditor General of India ("**CAG**").

3. To recommend to the Board on fixation of audit fees, based on the order/instructions of the CAG.

4. Approval of payment to the Statutory Auditors for any other services rendered by the Statutory Auditors.

5. Reviewing with the management, the Annual Financial Statements and the Auditors' Report thereon before submission to the Board for approval with particular reference to:

   (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
   (b) Changes, if any, in accounting policies and practices and reasons for the same;
   (c) Major accounting entries involving estimates based on the exercise of judgment by management;
   (d) Significant adjustments made in the Financial Statements arising out of audit findings;
   (e) Compliance with listing and other legal requirements relating Financial Statements;
   (f) Disclosure of any Related Party Transactions; and
   (g) Modified opinion(s) in the draft Audit Report.

6. Reviewing with the management, the quarterly/ half-yearly Financial Statements before submission to the Board for approval.

7. Reviewing with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems.

8. Reviewing the adequacy of internal audit function, if any including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

9. Discussion with Internal Auditors and/or Auditors of any significant findings and follow up there on.

10. Reviewing the findings of any internal investigations by the Internal Auditors/ Auditors/ agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

11. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

13. To review and monitor the function of the Whistle Blower Mechanism.

14. Approving appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; provided where Director (Finance) is appointed by the Administrative Ministry he will act as the Chief Financial Officer.

15. To review the follow up action on the audit observations of CAG Audit.

16. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

17. Provide an open avenue of communication between the Independent auditor, internal auditor and the Board of Directors.

18. Approval or any subsequent modification of transactions of the Company with related parties.

19. To make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.

20. Review with the Independent auditor the co-ordination of audit efforts to assure completeness of coverage reduction of redundant efforts, and the effective use of all audit resources.

21. Consider and review the following with the Independent Auditor and the management:

    - The adequacy of internal controls including computerized information system controls and security, and
    - Related findings and recommendations & the Independent auditor and internal auditor, together with the management responses.

22. Consider and review the following with the management, internal auditor and the Independent Auditor:
    - Significant findings during the year, including the status of previous audit recommendations; and
    - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

23. The Audit Committee shall mandatorily review the following information:
    I. Management discussion and analysis of financial condition and results of operations.

II. Management letters / letter of internal control weaknesses issued by the Statutory Auditors.
III. Internal audit reports relating to internal control weaknesses.
IV. The appointment, removal and terms of remuneration of the Chief internal auditor shall be placed before the Audit Committee.
V. Certification/ declaration of financial statements by the Chief Executive/ Chief Finance Officer to be designated by the Board.
VI. Statement of deviations:
    (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"); and
    (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of Listing Regulations.

24. Review and monitor the Auditor's Independence and performance, and effectiveness of audit process.

25. Scrutiny of inter-corporate loans and investments.

26. Valuation of undertakings or assets of the Company, wherever it is necessary.

27. Evaluation of internal financial controls and risk management systems.

28. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.

29. Reviewing the utilization of loans and/ or advances from/investment by the holding Company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments existing as on April 1, 2019.

30. Consider and comment on rationale, cost-benefits and impacts of scheme involving merger, demerger, amalgamation etc. on the listed entity and its shareholders.

31. Carrying out any other function as prescribed under the DPE Guidelines, Companies Act and Listing Regulations, as applicable to the Company from time to time and any other function as deemed appropriate or determined by the Board from time to time in the best interest of the Company and other stakeholders of the Company.

32. The powers of the Audit Committee include the following:

    (a) To investigate into the matters of any activity specified within its terms of reference;
    (b) To seek information from any employee of the Company;
    (c) To obtain legal or other professional advice from external sources, if necessary;
    (d) To secure attendance of outsiders with relevant expertise, if necessary;
    (e) To protect Whistle Blower; and
    (f) To have full access to the information contained in the records of the Company.

    For the purpose of above Terms of Reference:

    (a) The Committee may invite the Director (Finance) or head of the finance function and a representative of the Statutory Auditor and any other such executives of the Company to be present at the meetings of the Committee. Provided that occasionally the audit Committee may meet without the presence of any executives of the Company.

    (b) The Committee may call for the comments of the auditors about the internal control systems, the scope of audit, including the observations of auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and management of the Company.

(c) The auditors of the Company and the key management personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the Auditor's Report but shall not have the right to vote.

(d) The Board's report under section 134(3) of the Companies Act, 2013, shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefor.

Unless otherwise defined, for the purposes of the definition of auditor above, it shall include Statutory Auditors, Cost Auditors and Internal Auditors.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of our Board consists of 3 members. The members of the Nomination and Remuneration Committee are:

S. No	Name and designation of Director	Committee designation
1.	Dr. Jaganath Chennakeshava Murthy Jodidhar, Independent Director	Chairman
2.	Rohini Rawat, Independent Director	Member
3.	Ram Nihal Nishad, Independent Director	Member

The Nomination and Remuneration Committee was constituted by the Board on July 27, 2009. The Committee was renamed from Remuneration Committee to Nomination and Remuneration Committee on October 22, 2014. It was last re-constituted through circular resolution passed on March 20, 2023 and noted by the Board on March 24, 2023. The terms of reference of the Nomination and Remuneration committee were last revised pursuant to the board resolution dated July 27, 2023. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and the Regulation 19 of the SEBI Listing Regulations (except for the fact the Nomination and Remuneration Committee of our Company does not have the power to appoint the directors and decide their terms of appointment, given that our Company is a government company and the directors of our Company are appointed by the Government). The terms of reference of the Nomination and Remuneration Committee include the following:

1. Taking on record the appointment and removal of directors (including their remuneration and other terms of appointment), including independent directors, by the President of India, acting through the Ministry of New and Renewable Energy, Government of India.

2. Taking on record the extension, if any, of the term of the independent directors of the Company, as may be directed by the President of India, acting through the Ministry of New and Renewable Energy, Government of India.

3. To recommend to the board of directors a policy relating to the remuneration of the key managerial personnel and other employees.

4. Devising a policy on diversity of Board of Directors.

5. Identifying persons who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

6. To recommend to the Board, all remuneration, in whatever form, payable to senior management.

7. To ensure that the Company has in place programmes for the effective induction of new Directors.

8. To ensure 'fit and proper' status/criteria of Directors in accordance with the RBI guidelines.

9. To carry out any other function contained in the SEBI Listing Regulations, DPE Guidelines, RBI guidelines and the Companies Act, 2013 as and when amended from time to time.

***Stakeholders' Relationship* Committee**

The Stakeholders' Relationship Committee of our Board consists of 4 members. The members of the Stakeholders' Relationship Committee are:

S. No	Name and designation of Director	Committee designation
1.	Dr. Jaganath Chennakeshava Murthy Jodidhar, Independent Director	Chairman
2.	Rohini Rawat, Independent Director	Member
3.	Ram Nihal Nishad, Independent Director	Member
4.	Dr. Bijay Kumar Mohanty, Director (Finance)	Member

The Stakeholders' Relationship Committee was constituted by the Board on December 18, 2014, and last re-constituted through circular resolution passed on March 20, 2023 and noted by the Board on March 24, 2023. The terms of reference of the Stakeholders' Relationship Committee were last revised pursuant to board resolution dated July 29, 2019. The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The terms of reference of the Stakeholders' Relationship Committee include the following:

1. To review the mechanism adopted for redressal of shareholders, debenture holders and other security holder's complaints.

2. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

3. Review of measures taken for effective exercise of voting rights by shareholders.

4. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

5. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

6. Review and carry out such other matters as per the directions of the Board of Directors and/or as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), relating to corporate governance, as amended, from time to time as well as under any other applicable statutory rules and regulations.

Risk Management Committee

The Risk Management Committee of our Board consists of 4 members. The members of the Risk Management Committee are:

S. No	Name and designation of Director	Committee designation
1.	Ram Nihal Nishad, Independent Director	Chairman
2.	Dr. Bijay Kumar Mohanty, Director (Finance)	Member
3.	Dr. Jaganath Chennakeshava Murthy Jodidhar, Independent Director	Member
4.	Rohini Rawat, Independent Director	Member

The Risk Management Committee was constituted by the Board on October 18, 2013, and last re-constituted through circular resolution passed on March 20, 2023 and noted by the Board on March 24, 2023. The terms of reference of the Risk Management Committee were last revised pursuant to the board resolution dated July 27, 2023. The scope and functions of the Risk Management Committee is in accordance with section 134 of the Companies Act, 2013 and Regulation 21 of the SEBI Listing Regulations. The terms of reference of the Risk Management Committee include the following:

a) To formulate a detailed risk management policy which shall include:
   - framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the committee;
   - measures for risk mitigation including systems and processes for internal control of identified risks; and
   - business continuity plan.

b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

e) To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken.

f) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

g) Approve the policies and strategies for implementing Enterprise-wide integrated risk management system, for addressing various risks faced by the Company.

h) Oversee functions of Credit Risk Management Committee (CRMC), Market Risk Management Committee (MRMC also known as Asset Liability Management Committee – ALCO), Operational Risk Management Committee (ORMC) and Information Security Committee (ISC).

i) Set policies and guidelines for measurement, management and reporting of credit risk, market risk and operational risk.

j) Set risk mitigation and stop-loss parameters in respect of all the three risks.

k) Ensure management processes (including people, systems, operations, limits and controls) for implementing risk management systems.

l) Ensure robustness and effectiveness of financial / rating models and their appraisal systems for assessing various risks faced by the Company.

m) Reviewing and approving the Internal Capital Adequacy Assessment Process to maintain capital adequacy well above the regulatory requirements.

n) Approval/ Review of credit rating process, fixation of exposure ceilings for various types of exposures etc. based on internal/ external rating, borrower category/ groups etc.

o) Ensure availability of qualified and competent officers and risk managers in the Risk Management Department for ensuring effectiveness of risk management systems in the Company.

p) Decide/ approve adoption of technology/appropriate and adequate MIS system needed for risk management.

q) Reinforce the culture and awareness of risk management throughout the organization that would attach high priority on effective risk management and adherence to sound internal controls.

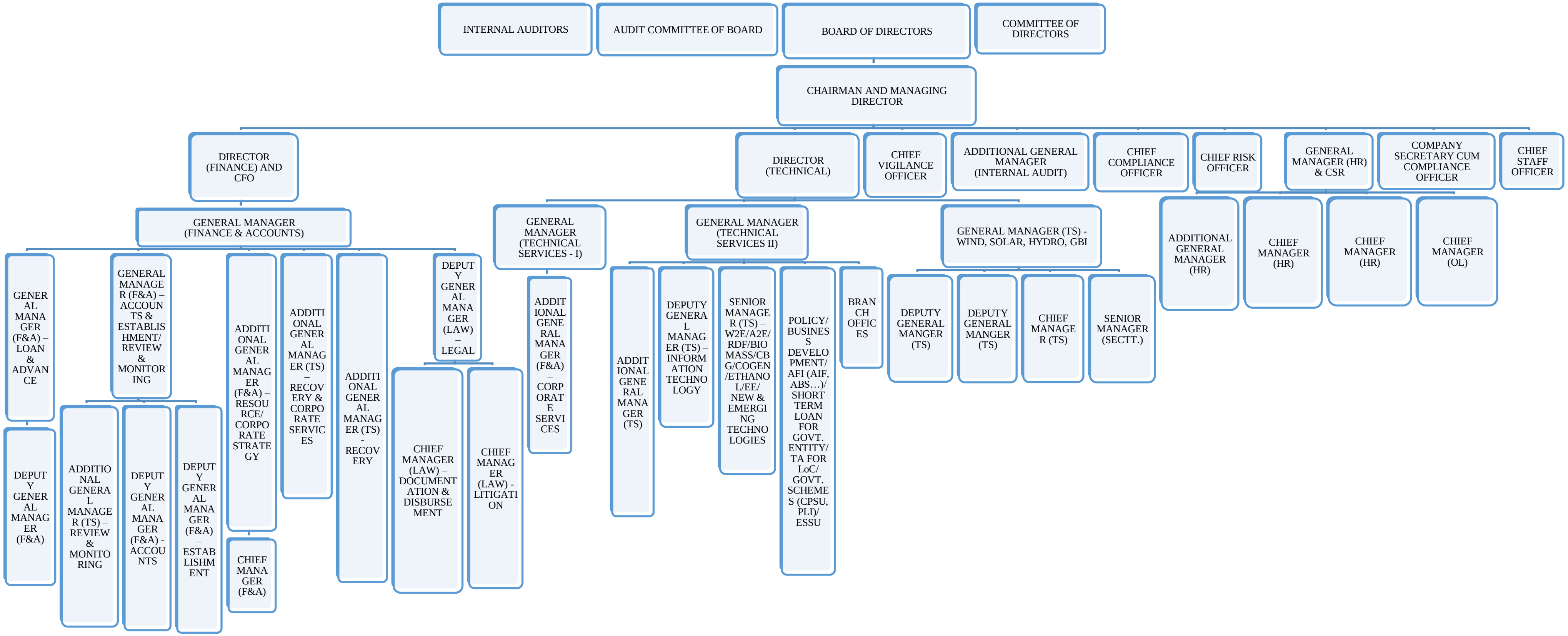
r) Ensure adequate coverage of internal audit to satisfy effective implementation of policies and procedures.

s) Monitor the performance of IREDA with respect to risk tolerance limits set by the Board.

Other Committees of our Company

In addition to the committees mentioned in *"— Committees of our Board"* on page 292, our Company has constituted other committees, such as, (i) Corporate Social Responsibility Committee; (ii) IPO Committee; (iii) IT Strategy Committee; (iv) Loan Committee of Directors; (v) NPA & Stressed Assets Resolution Committee; and (vi) Review Committee for Non-Co-operative Borrower & Wilful Defaulter.

Management Organisation Structure



Key Managerial Personnel of our Company

In addition to our Chairman and Managing Director, Pradip Kumar Das, and our Director (Finance), Dr. Bijay Kumar Mohanty, who is also our Chief Financial Officer, whose details are provided in *"— Brief Biographies of Directors"* on page 286, the details of our other Key Managerial Personnel in terms of the SEBI ICDR Regulations, as on the date of this Prospectus are set forth below:

Ekta Madan is the Company Secretary and Compliance Officer of our Company. She also holds the position of Senior Manager (Corporate Affairs and Company Secretary) in the Company. She has been associated with our Company since July 24, 2015. She holds bachelors' degrees in commerce from Maharishi Dayanand University, Rohtak and a post graduate diploma in human resource management from the Symbiosis Centre for Distance Learning. She has over 14 years of experience in corporate compliance and secretarial sector. She is an associate member of the Institute of Company Secretaries of India. She has also undertaken training with NIIT Limited. Prior to joining our Company, she was employed as a company secretary with Hole-in-the-Wall Education Limited (HIWEL), a joint venture of NIIT Limited, and worked as a retainer with Clasis Law. She also held the position of deputy manager (company secretary) in Triveni Engineering and Industries Limited.

She was appointed as the Company Secretary and Compliance Officer of our Company on November 1, 2022. During Fiscal 2023 she received a remuneration of ₹2.32 million from our Company.

Senior Management Personnel of our Company

In addition to Dr. Bijay Kumar Mohanty, the Chief Financial Officer of our Company and Ekta Madan, the Company Secretary and Compliance Officer of our Company, whose details are provided in *"— Brief Biographies of Directors"* on page 286 and in "— *Key Managerial Personnel of our Company*" on page 300, as applicable, the details of our other Senior Management Personnel in terms of the SEBI ICDR Regulations, as of the date of this Prospectus are set forth below:

Dr. Ramesh Chandra Sharma is the General Manager (Finance and Accounts) of our Company. He has also acted in the capacity of the chief financial officer of our Company from February 1, 2020 till October 16, 2023. He has been associated with our Company since December 17, 1997. He holds a bachelors' and masters' degree in commerce from University of Rajasthan, and a degree of doctorate of philosophy in commerce from University of Rajasthan. He is an associate member of the Institute of Cost Accountants of India. He has over 32 years of experience in handling finance and accounting functions and has worked in various PSUs. In addition to this, he also has experience in foreign exchange risk management. He is the chairman of the credit screening committee, and member of the credit risk management committee, asset liability management committee, and various other committees in our Company. Prior to joining our Company, he worked at Neyveli Lignite Corporation Limited, accounts officer at Nathpa Jhakri Power Corporation Limited and assistant manager at National Mineral Development Corporation Limited.

He was appointed as the General Manager (Finance and Accounts) of our Company on July 1, 2017. During Fiscal 2023 he received a remuneration of ₹7.15 million from our Company.

Pallav Kapoor is the Deputy General Manager (Risk Management) and Chief Risk Officer of the Company. He has been associated with our Company since June 8, 2022. He holds a bachelors' degree in commerce from the Delhi University and post graduate diploma in business management from Guru Nanak Institute of Management. He has over 16 years of experience in risk management, marketing and finance. Prior to joining the Company, he worked as the assistant vice president in the risk management portfolio of PTC India Limited, as customer relationship manager, credit & risk in Citifinancial Consumer Finance India Limited, senior officer (marketing) in Shree Cement Limited, manager, corporate strategy group at the president office in Videocon Industries Limited, executive, business banking at Axis Bank Limited and manager (finance and accounts) at Ultima Switchgears Limited.

He was appointed as the Deputy General Manager (Risk Management) and Chief Risk Officer of our Company on June 8, 2022 and November 1, 2022, respectively. During Fiscal 2023 he received a remuneration of ₹2.21 million from our Company.

Debjani Bhatia is the General Manager (Technical Services – I) of the Company. She has been associated with our Company since January 17, 1994. She holds a bachelors' degree in engineering (electrical) and a masters' degree in engineering (digital systems) from the University of Allahabad. She has over 30 years of experience in the technical sector. She has previously been associated with the Company in various capacities including head (solar, wind, hydro and generation-based incentive). She has also headed the policy, business development and review & monitoring groups, waste to energy (WTE), RDF, biomass power, briquettes, pellets, CBG, e-mobility and related infrastructure, cogen & ethanol, A2E (access to energy), EEC and new & emerging technologies groups. Further, she has headed the legal and IT departments and is currently heading the corporate strategy group at the Company. Prior to joining the Company, she worked as a designer engineer at GEC Alsthom India Limited.

She was appointed as the General Manager (Technical Services – I) of our Company on May 30, 2022. During Fiscal 2023 she received a remuneration of ₹6.02 million from our Company.

Mala Ghosh Choudhury is the General Manager (Human Resources Management) of the Company. She has been associated with our Company since December 22, 2022. She holds a bachelors' degree in science (economics) and a masters' degree in business administration from the University of Calcutta. She has over 24 years of experience in human resource management. Prior to joining the Company, she worked as the additional general manager at NTPC Limited.

She was appointed as the General Manager (Human Resources Management) of our Company on December 22, 2022. During Fiscal 2023 she received a remuneration of ₹1.45 million from our Company.

Bharat Singh Rajput is the General Manager (Technical Services – II) and Chief Information Officer of the Company. He has been associated with our Company since March 9, 2023. He holds a bachelors' degree in engineering (electronics and instrumentation) from Barkatullah Vishwavidyalaya, Bhopal. He has over 25 years of experience in technical, commercial, energy & efficiency management, commissioning and operations. Prior to joining the Company, he worked as the additional general manager at NTPC Limited.

He was appointed as the General Manager (Technical Services – II) and Chief Information Officer of our Company on March 9, 2023 and April 25, 2023, respectively. During Fiscal 2023 he received a remuneration of ₹0.33 million from our Company.

Surendra Kumar Sharma is the General Manager (Finance & Accounts) of the Company. He has been associated with our Company since June 30, 2023. He has passed the final examination for a bachelors' degree in commerce from the University of Rajasthan. He is an associate member of the Institute of Chartered Accountants of India and has completed a certification course in indirect taxation and forex and treasury management from the Institute of Chartered Accountants of India. He has over 27 years of experience in finance and accounts. Prior to joining the Company, he worked as the additional general manager (finance) at Bharat Heavy Electricals Limited ("**BHEL**") and undertook various functions in corporate finance and also headed finance functions of two manufacturing units of BHEL.

He was appointed as the General Manager (Finance and Accounts) of our Company on June 30, 2023. During Fiscal 2023 he did not receive any remuneration from our Company.

Dhiraj Mehta is the is the General Manager (Finance & Accounts) of the Company. He has been associated with our Company since June 30, 2023. He holds a bachelors' degree in commerce from the Delhi University. He is an associate member of the Institute of Cost Accountants of India and a fellow member of Institute of Chartered Accountants of India. He has over 27 years of experience in providing finance and accounts services. Prior to joining the Company, he worked as an additional general manager at Bharat Heavy Electricals Limited, senior manager at BSES Rajdhani Power Limited, assistant accounts officer at Larsen & Toubro Limited, assistant manager at Telecommunications India Limited and accountant at Capital Industries, Trading and Contracting Company.

He was appointed as the General Manager (Finance and Accounts) of our Company on June 30, 2023. During Fiscal 2023 he did not receive any remuneration from our Company.

Rakesh Kumar Vimal is the Additional General Manager (Internal Audit) of the Company. He has been associated with our Company since January 8, 1990. He holds a bachelors' degree in science from Dayalbagh Educational Institute, Agra and a masters' degree in resource development technology from Andhra University Faculty of Engineering College, Waltair, Andhra Pradesh. He also holds a post graduate diploma in business management from D.A.V. College of Management, Communication and Educational Administration, Chandigarh. Prior to joining our Company, he was associated with the Indian Institute of Technology (IIT), Delhi where he was involved in the research of rural energy planning through biomass production. He has over 33 years of experience in the technical sector.

He was appointed as the Additional General Manager (Internal Audit) of our Company on July 1, 2023. During Fiscal 2023 he received a remuneration of ₹6.74 million from our Company.

Sushant Kumar Dey is the General Manager (Technical Services) of the Company. He has been associated with our Company since November 7, 2000. He currently heads the wind, solar, hydro, floating solar and transmission group of our Company. He holds a bachelor's degree in engineering (mechanical) from Awadhesh Pratap Singh University, Rewa, and a masters' degree in technology from Maulana Azad National Institute of Technology, Bhopal. He also holds a diploma in mechanical engineering from S.V. Government Polytechnic, Bhopal and a post graduate diploma in financial management from Indira Gandhi National Open University, New Delhi. He has over 32 years of experience in the renewable energy and technical sector. Prior to joining the Company, he worked as a senior project engineer at Consolidated Energy Consultants Limited.

He was appointed as the General Manager (Technical Services) of our Company on October 17, 2023 and was recognised as a Senior Management Personnel on August 1, 2023. During Fiscal 2023 he received a remuneration of ₹5.34 million from our Company.

Kanchan Bhalla is the Deputy General Manager (Technical Services) and Chief Technology Officer of the Company. She has been associated with our Company since September 1, 1995. She holds a bachelors' degree in engineering (electronics and communication) from the Delhi University and a masters' degree in energy studies from the Indian Institute of Technology, Delhi. She has over 28 years of experience in the renewable energy and technical sector. She currently heads the information technology department of our Company.

She was appointed as the Deputy General Manager (Technical Services) and Chief Technology Officer of our Company on July 1, 2019 and April 25, 2023, respectively. During Fiscal 2023 she received a remuneration of ₹4.89 million from our Company.

Sanjay Kumar is the Deputy General Manager (Information Technology) and the Chief Information Security Officer of the Company. He has been associated with our Company since January 11, 2017. He holds a bachelor's degree in science from Avadh University, Faizabad and masters' degree in computer application from the Allahabad University. He has over 25 years of experience in information technology. Prior to joining our Company, he worked as the senior manager (IT) at Union Bank of India and deputy manager at ITI Limited.

He was appointed as the Deputy General Manager (Information Technology) and the Chief Information Security Officer of our Company on July 1, 2022 and January 7, 2021, respectively. During Fiscal 2023 he received a remuneration of ₹2.91 million from our Company.

Punnu Grover is the Deputy General Manager (Finance & Accounts) and Chief Compliance Offer of the Company. She has been associated with our Company since April 18, 1995. She holds a bachelor's degree in commerce from the Delhi University and a master's degree in commerce from Meerut University. She is an associate member of the Institute of Cost Accountants of India. She has over 27 years of experience in providing finance and accounts services. Prior to joining our Company, she has worked as the supervisor (accounts) at National Plaster & Clay Suppliers, assistant manager (accounts) at Power Engineers and cost accounts trainee in the finance division at Maruti Udyog Limited.

She was appointed as the Deputy General Manager (Finance & Accounts) and Chief Compliance Offer of our Company on July 1, 2019 and July 1, 2023, respectively. During Fiscal 2023 she received a remuneration of ₹4.61 million from our Company.

Status of Key Managerial Personnel and Senior Management Personnel

All the Key Managerial Personnel and Senior Management Personnel are permanent employees of our Company.

Changes in the Key Managerial Personnel and Senior Management Personnel in last three years

Other than as disclosed in *"— Changes in the Board in the last three years*" on page 291, the changes in the Key Managerial Personnel and Senior Management Personnel in the preceding three years are as follows:

Name	Designation	Date of Appointment (in present designation)/ change/ cessation	Reason for change
Sanjay Kumar	Chief Information Security Officer (CISO)	January 07, 2021	Appointment
Debjani Bhatia	General Manager (Technical Services – I)	May 30, 2022	Appointment
Surender Suyal	General Manager (Internal Audit) & Chief Compliance Officer	May 30, 2022	Appointment
Pallav Kapoor	Deputy General Manager (Risk Management)	June 08, 2022	Appointment
Sanjay Kumar	Deputy General Manager (IT)	July 01, 2022	Appointment
Surender Suyal	General Manager (Internal Audit), Company Secretary and Chief Compliance Officer (CCO)	October 31, 2022	Cessation
Som Pal	General Manager (Technical Services) and Chief Risk Officer (CRO)	October 31, 2022	Cessation
Som Pal	General Manager (Internal Audit) and Chief Compliance Officer (CCO)	November 01, 2022	Appointment
Pallav Kapoor	Chief Risk Officer (CRO)	November 01, 2022	Appointment
Ekta Madan	Compliance Officer	November 01, 2022	Appointment
Ekta Madan	Company Secretary (CS)	November 01, 2022	Appointment
Mala Ghosh Choudhury	General Manager (Human Resource Management)	December 22, 2022	Appointment
Bharat Singh Rajput	General Manager (Technical Services – II)	March 09, 2023	Appointment
Bharat Singh Rajput	Chief Information Officer (CIO)	April 25, 2023	Appointment
Kanchan Bhalla	Chief Technology Officer (CTO)	April 25, 2023	Appointment
Chintan Navinbhai Shah	Director (Technical)*	March 04, 2023	Cessation
Dr. P. Sreenivasan	General Manager (Human Resource)	May 31, 2023	Superannuation
Surendra Kumar Sharma	General Manager (Finance &	June 30, 2023	Appointment

Name	Designation	Date of Appointment (in present designation)/ change/ cessation	Reason for change
	Accounts)		
Dhiraj Mehta	General Manager (Finance & Accounts)	June 30, 2023	Appointment
Som Pal	General Manager (Internal Audit) and Chief Compliance Officer (CCO)	June 30, 2023	Superannuation
Rakesh Kumar Vimal	Additional General Manager (Internal Audit)	July 01, 2023	Appointment
Punnu Grover	Chief Compliance Officer (CCO)	July 01, 2023	Appointment
Dr. Ramesh Chandra Sharma	Chief Financial Officer	October 16, 2023	Cessation
Dr. Bijay Kumar Mohanty	Chief Financial Officer#	October 16, 2023	Appointment
Sushant Kumar Dey	General Manager (Technical Services)	October 17, 2023	Appointment

** Additional charge of Director (Technical) is held by our Chairman and Managing Director.*
 # Dr. Bijay Kumar Mohanty is also appointed as Director (Finance) on the Board of Directors of the Company with effect from October 12, 2023.

Service contracts with Key Managerial Personnel and Senior Management Personnel

None of the Key Managerial Personnel and Senior Management Personnel of our Company have entered into a service contract with our Company, pursuant to which they are entitled to any benefits upon retirement or termination of employment.

Attrition Rate

The attrition rate of Key Managerial Personnel and Senior Management Personnel in our Company is not, in our opinion, high compared to the attrition rate for key managerial personnel and senior management personnel in our industry.

Relationships of Directors with Key Managerial Personnel and/or Senior Management Personnel

None of our Key Managerial Personnel or Senior Management Personnel are related to any of our Directors or other Key Managerial Personnel and Senior Management Personnel.

Shareholding of the Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel hold any Equity Shares as on date of this Prospectus.

Arrangements and understanding with major Shareholders, customers, suppliers or others

Except for the appointment of Pradip Kumar Das who has been appointed by our Promoter, the President of India, acting through the Ministry of New and Renewable Energy, Government of India, none of our Key Management Personnel and Senior Management Personnel have been selected as a Senior Management Personnel pursuant to any arrangement or understanding with our Shareholders, or any major customers or suppliers of our Company, or others. For further details, please see "*Arrangement or understanding with major Shareholders, customers, suppliers, or others pursuant to which our Directors were selected as a Director or Senior Management Personnel*", and "*Description of Equity Shares and Terms of the Articles of Association*", on pages 288 and 647, respectively.

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management Personnel

There is no contingent or deferred compensation payable to Key Managerial Personnel and Senior Management Personnel of our Company, that does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

Our Company does not have any performance-linked bonus or a profit-sharing plan for our Key Managerial Personnel and Senior Management Personnel.

Interest of Key Managerial Personnel and Senior Management Personnel

For details of the interest of our Chairman and Managing Director and Director (Finance) of our Company, see "– *Interest of Directors*" on page 290.

Our Company has extended certain loans to the Key Managerial Personnel and Senior Management Personnel of the Company, in the past. For further details, see "*Risk Factors – Our Company has granted loans to our Directors, KMPs and Senior Management Personnel and there can be no assurance that we will be able to recover such loans in a timely manner, or at all." and "Related Party Transactions"* on page 67 and 519, respectively.

Except as disclosed above, our Key Managerial Personnel and Senior Management Personnel are interested in our Company only to the extent of the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company or any dividend payable to them.

Payment or benefit to Key Managerial Personnel and Senior Management Personnel

Except as disclosed above, no non-salary amount or benefit has been paid or given to any officer of our Company including Key Managerial Personnel or Senior Management Personnel, within the two years preceding the date of this Prospectus or is intended to be paid or given, other than in the ordinary course of their employment, for services rendered as officers of our Company.

Employee stock options

As on the date of this Prospectus, our Company does not have any employee stock option scheme.

OUR PROMOTER

Our Promoter is the President of India acting through the Ministry of New and Renewable Energy, Government of India. Our Promoter, along with its seven nominees, currently holds 100.00% of the pre-Offer paid-up equity share capital of our Company. For details of shareholding of our Promoter in our Company, see "*Capital Structure – Build-up of the shareholding of our Promoter in the Company*" on page 105.

Since our Promoter is the President of India, acting through the Ministry of New and Renewable Energy, Government of India, disclosures on the 'promoter group' (defined in Regulation 2(pp) of the SEBI ICDR Regulations) as specified in Schedule VI of the SEBI ICDR Regulations have not been provided.

OUR GROUP COMPANIES

Our Company is fully owned and controlled by the Government of India and is a 'government company' as defined under the Companies Act. In terms of Schedule VI, Part A, Paragraph 13(A) of the SEBI ICDR Regulations, our Company has not identified any group companies of our Company.

DIVIDEND POLICY

As per Guidelines on Capital Restructuring of Central Public Sector Enterprises, dated May 27, 2016, issued by Department of Investment and Public Asset Management, Ministry of Finance, Government of India and the department of Economic Affairs ("**CPSE Capital Restructuring Guidelines**"), containing the guidelines for payment of dividend, applicable from Financial Year ending on or after March 31, 2016, all central public sector enterprise including our Company is required to pay a minimum annual dividend of 30% of profit after tax or 5% of the net worth, whichever is higher, unless an exemption is provided in accordance with the CPSE Capital Restructuring Guidelines. Therefore, subject to the provisions of the CPSE Capital Restructuring Guidelines, the Articles of Association and the Companies Act, the declaration and payment of dividend is recommended by the Board and approved by the Shareholders. The dividend distribution policy of our Company was approved by our Board in its meeting held on August 12, 2023.

Further, the dividends, if any, will depend on a number of factors, including but not limited to our earnings, guidelines issued by the DPE, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restrictions, and restrictive covenants under the loan or financing arrangements we may enter into. For further details, see *"Financial Information – Restated Financial Information – Statement of Dividend Declared by the Company"* and "*Financial Indebtedness*" on pages 504 and 567, respectively. Our Company may also, from time to time, pay interim dividends.

Our Company had received exemptions from DIPAM for the payment of dividend for Fiscals 2021, 2022 and 2023. Our Company has not paid dividend on the Equity Shares during the last three Fiscals and also for the period from April 1, 2023, until the date of this Prospectus.

For further details, see "*Risk Factors – Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes and the payments will be subject to the CPSE Capital Restructuring Guidelines*" on page 66. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not decrease in the future. Our ability to pay dividends in the future will depend on number of factors, including our profit after tax for the fiscal year, our capital requirements, our financial condition, our cash flows and applicable taxes.

SELECTED STATISTICAL INFORMATION

The following information is included for analytical purposes and should be read in conjunction with our "Restated Financial Information" on page 321 as well as "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 219 and 520, respectively. The restated consolidated financial information for Fiscal 2021 is not directly comparable with the restated standalone financial information for Fiscals 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 since we did not have any associate in such subsequent periods. Unless otherwise indicated or the context otherwise requires, the Restated Financial Information included in this Prospectus for Fiscals 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 are derived from our restated standalone financial information, and the financial information for Fiscal 2021 is derived from our restated consolidated financial information. For further information, see "Restated Financial Information" on page 321. Unless the context otherwise requires, and in connection with Fiscal 2021, in this section, references to "we", "us", "our", "the Company", or "our Company" refer to Indian Renewable Energy Development Agency Limited on a standalone basis. Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.

Certain non-GAAP measures presented in this Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of financial services businesses, many of which provide such non-GAAP financial measures and other statistical and operational information when reporting their financial results. Such non-GAAP measures are not measures of operating performance or liquidity defined by generally accepted accounting principles. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other banks or financial institutions in India or elsewhere. Other companies may calculate the non-GAAP Measures differently from us, limiting its utility as a comparative measure.

Average Balance Sheet

The tables below present the average balances for interest-earning assets and interest-bearing liabilities together with the related interest income and expense amounts, resulting in the presentation of the average yields and cost for each year/ period. The average balance is the average of balance at the beginning and at the end of stated year/ period outstanding. The average yield on average interest-earning assets is the ratio of interest income to average interest-earning assets. The average cost on average interest-bearing liabilities is the ratio of interest expense to average interest-bearing liabilities. The average balances of term loans include NPAs and are net of allowances for credit losses. We have not recalculated tax-exempt income on a tax equivalent basis.

The average balance for interest earning assets and interest-bearing liabilities is calculated as the mean of the opening and closing balances for such items of each year/ period. Our calculation of the average balance is not comparable with other Indian banks and financial institutions, which calculate their average balances based on a daily, fortnightly or monthly average.

(in ₹ million, except percentages)

	Fiscal 2021 (Consolidated)			**Fiscal 2022 (Standalone)**			**Fiscal 2023 (Standalone)**		
	Average Balance*	**Interest Income/ Expense****	**Average Yield/ Cost (%)**	**Average Balance***	**Interest Income/ Expense****	**Average Yield/ Cost (%)**	**Average Balance***	**Interest Income/ Expense****	**Average Yield/ Cost (%)**
Financial assets:									
Term Loans Outstanding(1)(8)	249,323.99	25,948.34	10.41%	300,307.74	27,456.49	9.14%	396,914.32	33,515.45	8.44%
Investments(2)(9)	2,897.65	374.90	12.94%	863.27	155.36	18.00%	1,270.76	846.84	66.64%
Total interest-earning assets	**252,221.64**	**26,323.24**	**10.44%**	**301,171.01**	**27,611.85**	**9.17%**	**398,185.08**	**34362.29**	**8.63%**
Solar project(3)	**2,518.12**	**274.17**	**10.89%**	**2,331.93**	**284.90**	**12.22%**	**2,145.74**	**269.04**	**12.54%**
Non-financial assets(4)	34,766.56	(20.22)	-	30,611.17	844.80	-	33,831.46	199.12	-
Fixed assets(5)	222.46	-	-	894.88	-	-	1,614.69	-	-
Total assets	**289,728.78**	**26,577.19**	**9.17%**	**335,008.99**	**28,741.55**	**8.58%**	**435,776.97**	**34,830.45**	**7.99%**
Financial liabilities:									
Borrowings(6)	229,267.75	16,401.09	7.15%	258,065.38	16,331.41	6.33%	338,891.76	21,124.64	6.23%
Total interest-bearing liabilities	**229,267.75**	**16,401.09**	**7.15%**	**258,065.38**	**16,331.41**	**6.33%**	**338,891.76**	**21,124.64**	**6.23%**
Non-financial liabilities:									
Shareholders Equity(7)	27,586.79	-	-	41,318.57	-	-	56,016.41	-	-
Other liabilities	32,874.26	-	-	35,625.04	-	-	40,868.80	-	-

	Fiscal 2021 (Consolidated)			Fiscal 2022 (Standalone)			Fiscal 2023 (Standalone)		
	Average Balance*	Interest Income/ Expense**	Average Yield/ Cost (%)	Average Balance*	Interest Income/ Expense**	Average Yield/ Cost (%)	Average Balance*	Interest Income/ Expense**	Average Yield/ Cost (%)
Total non-interest bearing liabilities	**60,461.03**	-	-	**76,943.61**	-	-	**96,885.21**	-	-
Total liabilities	**289,728.78**	**16,401.09**	-	**335,008.99**	**16,331.41**	-	**435,776.97**	**21,124.64**	-

** Average balance represents simple average of current and previous year/ period end balances*

*** Interest Income / Expense includes other income/ expense generated/ incurred from the corresponding financial assets/ financial liabilities.*

Notes:

(1) Term Loans Outstanding represents the total term loan outstanding (gross i.e. without netting off of the related provisioning) given by us at the end of the period. It does not include interest accrued and due on term loans and interest accrued but not due on term loans, liquidated damages accrued and due, staff loans and interest accrued thereon.

(2) Investments includes investment in an associate- M.P. Windfarms Limited, for Fiscal 2021, Fixed Deposits, Saving Deposits held with Scheduled Commercial Banks, investments in GOI Securities and commercial papers at the end of the period.

(3) Solar project income represents gross receipts during the year/ period and average balance represents the carrying value of the solar power generating plant.

(4) Income against non-financial assets includes income not represented by any assets.

(5) Fixed Assets includes Capital Work- in-Progress at the end of the period.

(6) Borrowings represents borrowings from all sources except bonds issued on behalf of MNRE at the end of the period.

(7) Shareholders Equity is the sum of Equity Share capital and Other Equity at the end of the period.

(8) Yield on Term Loans means interest earned on Term Loans Outstanding divided by Average Term Loans Outstanding, as a percentage.

(9) Yield on investments is being reflected significantly higher due to income on Investments which have matured in the same year/ period hence not part of Investments at year/ period end.

	Six Months Ended September 30, 2022 (Standalone)			Six Months Ended September 30, 2023 (Standalone)		
	Average Balance*	Interest Income/ Expense**	Average Yield/ Cost (%)***	Average Balance*	Interest Income/ Expense**	Average Yield/ Cost (%)***
Financial assets:						
Term Loans Outstanding(1)(7)	330,488.06	15,365.84	4.65%	464,607.10	22,887.31	4.93%
Investments(8)	18,048.92	189.23	1.05%	1,813.08	235.40	12.98%
Total interest-earning assets	**348,536.98**	**15,555.07**	**4.46%**	**466,420.18**	**23,122.71**	**4.96%**
Solar project(2)	2,192.15	118.34	5.40%	2,006.10	139.80	6.97%
Non-financial assets(3)	33,645.98	104.10	-	38,407.72	(57.92)	
Fixed assets(4)	1,554.13	-	-	1,683.39		
Total assets	**385,929.24**	**15,777.51**	**4.09%**	**508,517.39**	**23,204.59**	**4.56%**
Financial liabilities:						
Borrowings(5)	289,217.18	9,317.54	3.22%	400,077.37	15,268.48	3.82%
Total interest-bearing liabilities	**289,217.18**	**9,317.54**	**3.22%**	**400,077.37**	**15,268.48**	**3.82%**
Non-financial liabilities:						
Shareholders Equity(6)	54,532.13	-	-	62,578.91	-	-
Other liabilities	42,179.93	-	-	45,861.11	-	-
Total non-interest bearing liabilities	96,712.06	-	-	108,440.02	-	-
Total liabilities	**385,929.24**	**9,317.54**	-	**508,517.39**	**15,268.48**	-

** Average balance represents simple average of current and previous year/ period end balances*

*** Interest Income / Expense includes other income/ expense generated/ incurred from the corresponding financial assets/ financial liabilities.*

****Figures for the six months ended September 30, 2022 and September 30, 2023 have not been annualised.*

Notes:

(1) Term Loans Outstanding represents the total term loan outstanding (gross i.e. without netting off of the related provisioning) given by us at the end of the period. It does not include interest accrued and due on term loans and interest accrued but not due on term loans, liquidated damages accrued and due, staff loans and interest accrued thereon.

(2) Solar project income represents gross receipts during the year/ period and average balance represents the carrying value of the solar power generating plant.

(3) Income against non-financial assets includes income not represented by any assets.

(4) Fixed Assets includes Capital Work- in-Progress at the end of the period.

(5) Borrowings represents borrowings from all sources except bonds issued on behalf of MNRE at the end of the period.

(6) Shareholders Equity is the sum of Equity Share capital and Other Equity at the end of the period.

(7) Yield on Term Loans means interest earned on Term Loans Outstanding divided by Average Term Loans Outstanding, as a percentage.

(8) Yield on investments is being reflected significantly higher due to income on Investments which have matured in the same year/ period hence not part of Investments at year/ period end.

Analysis of Changes in Interest Income and Interest Expense by Volume and Rate

The table below sets forth, for the years indicated, the allocation of the changes in our interest income and interest expense and other charges between changes in average balance and changes in average rates.

The changes in net interest income and interest expense and other charges between years have been reflected as attributed either to average balance or average rate changes. For purposes of the table below, changes that are due to both average balance and average rate have been allocated solely to changes in average rate.

(in ₹ million, except percentages)

Particulars	Year ended March 31, 2022 (Standalone) vs. Year ended March 31, 2021 (Consolidated)			Year ended March 31, 2023 (Standalone) vs. Year ended March 31, 2022 (Standalone)		
	Net Changes in interest income / expense	Change in average balances	Change in Average Yield/Cost	Net Changes in interest income / expense	Change in average balances	Change in Average Yield/Cost
Interest income: (A)						
Term Loans Outstanding	1,508.15	50,983.75	(1.27)%	6,058.96	96,606.58	(0.70)%
Investments	(219.54)	(2,034.38)	5.06%	691.48	407.49	48.64%
Total interest income	**1,288.61**	**48,949.37**	**1.27%**	**6,750.44**	**97,014.07**	**(0.54)%**
Interest expense: (B)						
Borrowings	(69.68)	28,797.63	(0.82)%	4,793.23	80,826.38	(0.10)%
Net interest income (A-B)	**1,358.29**	**20,151.74**	-	**1,957.21**	**16,187.69**	-

Yields, Spreads and Margins

The following table sets forth, for the years/ periods indicated, the yields, spreads and interest margins on our average interest-earning assets.

(in ₹ million, except percentages)

Particulars	As of/ For the year ended March 31,			As of/ For the Six Months Ended September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)*	2023 (Standalone)*
Average interest-earning assets	252,221.64	301,171.01	398,185.08	348,536.98	466,420.18
Average interest-bearing liabilities	229,267.75	258,065.38	338,891.76	289,217.18	400,077.37
Average total assets	289,728.78	335,008.99	435,776.97	385,929.24	508,517.39
Average interest-earning assets as a percentage of average total assets (%)	87.05%	89.90%	91.37%	90.31%	91.72%
Average interest-bearing liabilities as a percentage of average total assets (%)	79.13%	77.03%	77.77%	74.94%	78.68%
Average interest-earning assets as a percentage of average interest-bearing liabilities (%)	110.01%	116.70%	117.50%	120.51%	116.58%
Average yield on average interest earning assets (%) (1)	10.44%	9.17%	8.63%	4.46%	4.96%
Average cost to average interest-bearing liabilities(%)(2)	7.15%	6.33%	6.23%	3.22%	3.82%
Average Yield on Average Term Loans (%)(3)	10.41%	9.14%	8.44%	4.65%	4.93%
Average Yield on Average Investments (%)(4)	12.94%	18.00%	66.64%	1.05%	12.98%
Average Cost of borrowings (%)(5)	7.15%	6.33%	6.23%	3.22%	3.82%
Net interest margin (%)(6)	3.93%	3.75%	3.32%	1.79%	1.68%
Spread (%)(7)	3.26%	2.81%	2.21%	1.43%	1.11%
Shareholders Equity	29,956.00	52,681.13	59,351.69	56,383.12	65,806.12
Total borrowings	240,000.04	276,130.72	401,652.80	302,303.63	398,501.93
Gearing ratio(8)	8.01	5.24	6.77	5.36	6.06
Fresh Borrowings during the period	41,691.40	58,105.30	168,244.00	43,693.76	29,694.35

** Figures for the six months ended September 30, 2022 and September 30, 2023 have not been annualised.*

Notes:

(1) The average yield on average interest-earning assets is the ratio of interest income and income that is directly attributable to income on loans (such as loan application fees and front-end fees payable by the borrower prior to sanction/disbursement of the loan) on interest earning assets to average interest-earning assets for the year/ period.

(2) Average cost on average interest-bearing liabilities is the interest expended during the period, divided by average borrowings from all sources, as a percentage.

(3) Yield on Term Loans means Interest earned on Term Loans Outstanding divided by Average Term Loans Outstanding, as a percentage.

(4) Yield on investments is being reflected significantly higher due to income on investments which have matured in the same year/ period and are therefore not part of investments at year/ period end.

(5) Interest expended during the period divided by average borrowings from all sources, as a percentage. For the purpose of computation of average cost of borrowings, finance cost is considered including gain or loss on foreign currency exchange rate fluctuation and other borrowing cost.

(6) Net interest margin, or "NIM", for any given year/ period represents net interest income divided by average interest earning assets, as a percentage.

(7) Spread refers to difference between average yield on average interest earning assets and average cost on average interest-bearing liabilities, as a percentage.

(8) Gearing ratio is calculated by dividing total borrowings by the Shareholders Equity at the end of the period.

Return on Equity and Assets

The following table presents selected financial ratios for the years/ periods indicated.

Particulars	As of/ For the year ended March 31,			As of/ For the Six Months Ended September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)*	2023 (Standalone)*
AUM[(1)]	271,587.55	335,418.31	465,243.28	366,039.93	471,609.25
Interest income[(2)]	26,323.24	27,611.85	34,362.29	15,555.07	23,122.71
Average total assets	289,728.78	335,008.99	435,776.97	385,929.24	508,517.39
Average shareholders' equity	27,586.79	41,318.57	56,016.41	54,532.13	62,578.91
Net profit before tax	5,695.16	8,338.40	11,392.49	6,161.67	8,194.34
Net profit after tax	3,463.81	6,335.28	8,646.28	4,102.66	5,793.15
ROE (%)[(3)]	12.56%	15.33%	15.44%	7.52%	9.26%
ROA (Net profit to average total assets) (%)[(4)]	1.20%	1.89%	1.98%	1.06%	1.14%
Dividend pay-out ratio (%)[(5)]	-	-	-	-	-
Average shareholders' funds as a percentage of average total assets (%)	9.52%	12.33%	12.85%	14.13%	12.31%
Earnings per share[(6)]	4.41	8.03	3.78	1.80	2.54
Book value per share[(7)]	38.18	23.06	25.98	24.68	28.80

** Figures for the six months ended September 30, 2022 and September 30, 2023 have not been annualised.*

Notes:

(1) Assets under management (AUM) are interest or income generating assets.

(2) Interest income include interest earned from lending operation including fees-based income, differential interest, guarantee commission, Bad Debt written off, interest on staff loan and interest income earned from investments.

(3) Return on equity (ROE) is calculated as profit after tax for the period, divided by average shareholders' equity, as a percentage.

(4) Return on average assets (ROA) is calculated by dividing the profit after tax for the year/ period by the average total assets for the year/ period.

(5) Company has availed special exemption from GoI for payment of dividend for the respective years to conserve its resources.

(6) Earnings per share is calculated by dividing the profit after tax for the year/ period by the weighted average number of equity shares outstanding at the end of the year/ period. For further information, see "Note 38(13)" in "Financial Information – Notes to Restated Financial Information" on page 414.

(7) Book value per share is calculated by dividing shareholders' equity by the number of Equity Shares at the end of the year/ period.

Asset Quality

The following tables sets forth, for the years indicated, our Term Loans Outstanding classified by loan types.

Classification of Gross Term Loans Outstanding	As of March 31,						As of September 30,			
	2021 (Consolidated)		2022 (Standalone)		2023 (Standalone)		2022 (Standalone)		2023 (Standalone)	
	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding	Term Loans Outstanding (₹ million)	% of Total Term Loans Outstanding
Secured Loans	245,934.93	88.29%	294,558.88	86.81%	431,210.33	91.60%	304,289.07	90.07%	4,43,823.68	93.41%
Unsecured Loans	32,604.28	11.71%	44,747.18	13.19%	39,544.88	8.40%	33,544.52	9.93%	31,321.15	6.59%
Total	**278,539.21**	**100.00%**	**339,306.06**	**100.00%**	**470,755.21**	**100.00%**	**337,833.59**	**100.00%**	**475,144.83**	**100.00%**
Stage-1 Loans	237,737.44	85.35%	294,884.04	86.91%	439,424.05	93.34%	298,355.41	88.31%	444,144.37	93.48%
Stage-2 Loans	16,386.24	5.88%	26,739.48	7.88%	16,197.62	3.44%	22,390.51	6.63%	16,139.65	3.40%
Stage-3 Loans	24,415.53	8.77%	17,682.54	5.21%	15,133.54	3.21%	17,087.67	5.06%	14,860.81	3.12%
Total	**278,539.21**	**100.00%**	**339,306.06**	**100.00%**	**470,755.21**	**100.00%**	**337,833.59**	**100.00%**	**475,144.83**	**100.00%**

Note: Classification of secured and unsecured loans is as per RBI guidelines and stage-wise classification is as per Ind AS. Stage-1 loan includes FITL and IC balances.

Concentration of Customers

The following tables set forth, at the dates indicated, our fund-based Term Loans Outstanding categorized by RE technology types and sector:

Sr. No.	Sector	As of March 31						As of September 30,			
		2021 (Consolidated)		2022 (Standalone)		2023 (Standalone)		2022 (Standalone)		2023 (Standalone)	
		Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding
1.	Solar Energy	78,402.12	28.15%	85,058.20	25.07%	143,488.59	30.48%	84,804.10	25.10%	142,430.81	29.98%
2.	Loan Facility to	71,350.09	25.62%	111,716.31	32.92%	113,317.57	24.07%	92,338.78	27.33%	91,152.43	19.18%

Sr. No.	Sector	As of March 31						As of September 30,			
		2021 (Consolidated)		2022 (Standalone)		2023 (Standalone)		2022 (Standalone)		2023 (Standalone)	
		Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding	Outstanding Amount (₹ million)	% of Term Loans Outstanding
	State Utilities										
3.	Wind Power	60,820.26	21.84%	62,193.11	18.33%	88,924.90	18.89%	62,102.16	18.38%	99,184.53	20.87%
4.	Hydro Power	28,628.98	10.28%	39,255.15	11.57%	54,379.08	11.55%	51,707.71	15.31%	54,472.39	11.46%
5.	Manufacturing	4,484.21	1.61%	6,242.49	1.84%	15,161.74	3.21%	11,658.86	3.45%	22,909.72	4.82%
6.	Ethanol	2,038.92	0.73%	3,923.00	1.16%	10,968.07	2.33%	5,491.20	1.63%	15,066.58	3.17%
7.	Biomass Power and Cogeneration	13,395.56	4.81%	11,667.69	3.44%	10,765.95	2.29%	11,316.73	3.35%	11,563.29	2.43%
8.	Hybrid Wind and Solar	625.00	0.22%	-	0.00%	10,067.50	2.14%	1,900.00	0.56%	10,067.46	2.12%
9.	Short Term Loans to Private Entities	10,208.83	3.67%	7,054.25	2.08%	9,163.81	1.95%	5,765.38	1.71%	10,040.46	2.11%
10.	Waste to Energy	3,906.35	1.40%	4,609.16	1.36%	4,832.77	1.03%	4,371.58	1.29%	4,925.21	1.04%
11.	Electric Vehicle ("**EV**")	-	0.00%	357.05	0.11%	3,650.52	0.78%	1,428.21	0.42%	4,778.04	1.01%
12.	Guaranteed Emergency Credit Line	1,451.70	0.52%	3,968.53	1.17%	3,008.64	0.64%	2,116.33	0.63%	2,871.38	0.60%
13.	Transmission	2,053.97	0.72%	1,629.43	0.46%	1,652.04	0.35%	1,623.98	0.48%	4,293.69	0.90%
14.	EEC	604.57	0.22%	1,174.57	0.35%	918.96	0.20%	1,098.63	0.33%	791.07	0.17%
15.	Biomass (Briquetting, Gasification and Methanation from Industrial Effluents)	0.05	0.00%	0.05	0.00%	432.50	0.09%	82.91	0.02%	579.13	0.12%
16.	National Clean Energy Fund	104.06	0.04%	31.52	0.01%	22.57	0.00%	27.03	0.01%	18.64	0.02%
17.	Bridge Loan	464.54	0.17%	425.55	0.13%	-	-	-	-	-	-
Total		**278,539.21**	**100.00%**	**339,306.06**	**100.00%**	**470,755.21**	**100.00%**	**337,833.59**	**100.00%**	**475,144.83**	**100.00%**
By Product											
1.	Term Loans Outstanding	278,539.21	100.00%	339,306.06	100.00%	470,755.21	100.00%	337,833.59	100.00%	475,144.83	100.00%
Total		**278,539.21**	**100.00%**	**339,306.06**	**100.00%**	**470,755.21**	**100.00%**	**337,833.59**	**100.00%**	**475,144.83**	**100.00%**
By Customer											
1.	Private Sector	209,294.64	75.14%	224,540.21	66.18%	344,355.68	73.15%	243,139.27	71.97%	365,796.33	76.99%
2.	Public Sector	69,244.57	24.86%	114,765.85	33.82%	126,399.53	26.85%	94,694.32	28.03%	109,348.50	23.01%
Total		**278,539.21**	**100.00%**	**339,306.06**	**100.00%**	**470,755.21**	**100.00%**	**337,833.59**	**100.00%**	**475,144.83**	**100.00%**

Non-Performing Assets

The following table sets forth, for the years/ periods indicated, information about our Stage-3 loans (NPA portfolio).

(in ₹ million, except percentages)

Particulars	As of/ For the year ended, March 31,			As of/ For the Six Months Ended September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Opening balance at the beginning of the year/ period	23,730.02	24,415.53	17,682.55	17,682.55	15,133.54
Add: fresh slippage	5,307.42	326.97	78.92	94.40	443.39
Less: upgradation / recovery	4,621.91	7,059.96	2,627.92	689.27	716.11
Gross NPAs at the close of the year/ period	24,415.53	17,682.54	15,133.54	17,087.67	14,860.81
Net NPAs	15,102.24	10,353.90	7,680.24	8,957.41	7,710.76
Term Loans Outstanding	278,539.21	339,306.06	470,755.21	337,833.59	475,144.83
Net loans	269,192.05	331,917.03	463,207.95	329,636.92	467,883.75
Gross NPAs/Term Loans Outstanding (%)	8.77%	5.21%	3.21%	5.06%	3.13%
Net NPAs/ Net Term Loans Outstanding (%)	5.61%	3.12%	1.66%	2.72%	1.65%
Total provisions as a percentage of Gross NPAs (%)	38.14%	41.45%	49.25%	47.58%	48.11%

Provision for expected credit losses

Stage	Category	Description of category	Basis for recognition of expected credit loss provision
			Loans
Stage-1	Standard Assets	Assets where counter party has strong capacity to meet the obligations and where risk of default is negligible or nil / regularly paying assets.	12 month ECL
Stage-2	Loans with increased credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Lifetime expected credit losses
Stage-3	Loans- Impaired	Assets where there is high probability of default and written off assets where there is low expectation of recovery.	Lifetime expected credit losses

The following tables provide a summary of the risk classification of our gross Stage-3 Loans (in absolute terms and as a percentage of our gross Stage-3 Loans (NPAs) and our provision for probable losses as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023.

(in ₹ million, except percentages)

Sector	As of March 31, 2021 (Consolidated)			As of March 31, 2022 (Standalone)			As of March 31, 2023 (Standalone)			As of September 30, 2022 (Standalone)			As of September 30, 2023 (Standalone)		
	NPA loans outstanding	% of total NPAs	Total loans outstanding	NPA loans outstanding	% of total NPAs	Total loans outstanding	NPA loans outstanding	% of total NPAs	Total loans outstanding	NPA loans outstanding	% of total NPAs	Total loans outstanding	NPA loans outstanding	% of total NPAs	Total loans outstanding
Solar Energy	2,858.86	11.71%	78,402.12	1,787.10	10.11%	85,058.20	640.37	4.23%	143,488.59	1,746.64	10.22%	84,804.10	640.37	4.31%	142,430.81
Loan facility to state power utilities	-	-	71,350.09	-	-	111,716.31	-	-	113,317.57	-	-	92,338.78	-	-	91,152.43
Wind Power	5,534.56	22.66%	60,820.26	1,900.43	10.75%	62,193.11	1,887.62	12.47%	88,924.90	1,875.51	10.98%	62,102.16	1,331.10	8.96%	99,184.53
Hydro Power	4,624.61	18.94%	28,628.98	4,662.03	26.37%	39,255.15	4,025.48	26.60%	54,379.08	4,645.06	27.18%	51,707.71	4,024.45	27.08%	54,472.39
Manufacturing	820.00	3.36%	4,484.21	820.00	4.64%	6,242.49	820.00	5.42%	15,161.74	820.00	4.80%	11,658.86	820.00	5.52%	22,909.72
Ethanol	-	-	2,038.92	-	-	3,923.00	-	-	10,968.07	-	-	5,491.20	-	-	15,066.58
Biomass Power & Cogeneration	7,072.26	28.97%	13,395.56	6,822.11	38.58%	11,667.69	6,084.53	40.20%	10,765.95	6,236.80	36.50%	11,316.73	6,372.35	42.88%	11,563.29
Hybrid Wind & Solar	-	-	625.00	-	-	-	-	-	10,067.50	-	-	1,900.00	-	-	10,067.46
Short term loans to Private entities	1,309.04	5.36%	10,208.83	-	-	7,054.25	-	-	9,163.81	-	-	5,765.38	-	-	10,040.46
Waste to Energy	89.90	0.37%	3,906.35	88.67	0.50%	4,609.16	9.59	0.06%	4,832.77	88.67	0.52%	4,371.58	9.59	0.06%	4,925.21
EV	-	-	-	-	-	357.05	-	-	3,650.52	-	-	1,428.21	-	-	4,778.04
Guaranteed Emergency Credit Line	-	-	1,451.70	-	-	3,968.53	-	-	3,008.64	-	-	2,116.33	-	-	2,871.38
Miscellaneous	2,010.85	8.24%	2,053.97	1,506.75	8.51%	1,629.43	1,506.74	9.97%	1,652.04	1,506.74	8.82%	1,623.98	1,506.74	10.14%	4,293.69
EEC	95.40	0.39%	604.57	95.40	0.54%	1,174.57	159.20	1.05%	918.96	168.20	0.98%	1,098.63	156.20	1.05%	791.07
Biomass (Briquetting, Gasification and Methanation from Industrial Effluents)	0.05	0.00%	0.05	0.05	0.00%	0.05	0.01	0.00%	432.50	0.05	0.00%	82.91	0.01	0.00%	579.13
National Clean Energy Fund	-	-	104.06	-	-	31.52	-	-	22.57	-	-	27.03	-	-	18.64
Bridge Loan	-	-	464.54	-	-	425.55	-	-	-	-	-	-	-	-	-
Total	**24,415.53**	**100.00%**	**278,539.21**	**17,682.54**	**100.00%**	**339,306.06**	**15,133.54**	**100.00%**	**470,755.21**	**17,087.67**	**100.00%**	**337,833.59**	**14,860.81**	**100.00%**	**475,144.83**

[(1)] *Miscellaneous includes transmission, line of credit etc.*

Set forth below are certain details regarding our provisioning for loans at different stages:

Classification of Gross term loans outstanding	As of March 31, 2021 (Consolidated)			As of March 31, 2022 (Standalone)			As of March 31, 2023 (Standalone)			As of September 30, 2022 (Standalone)			As of September 30, 2023 (Standalone)		
	Term loan outstanding (₹ million)	ECL provision (₹ million)	PCR	Term loan outstanding (₹ million)	ECL provision (₹ million)	PCR	Term loan outstanding (₹ million)	ECL provision (₹ million)	PCR	Term loan outstanding (₹ million)	ECL provision (₹ million)	PCR	Term loan outstanding (₹ million)	ECL provision (₹ million)	PCR
Stage-1 Loans	237,274.61	2,554.73	1.08%	294,254.14	4,971.09	1.69%	439,022.45	5,153.09	1.17%	297,706.39	3,302.36	1.11%	443,169.30	3,379.38	0.76%
Stage-2 Loans	16,386.24	3,229.48	19.71%	26,739.48	4,551.91	17.02%	16,197.62	4,918.36	30.36%	22,390.51	5,091.81	22.74%	16,139.65	5,845.49	36.22%

Classification of Gross term loans outstanding	As of March 31, 2021 (Consolidated)			As of March 31, 2022 (Standalone)			As of March 31, 2023 (Standalone)			As of September 30, 2022 (Standalone)			As of September 30, 2023 (Standalone)		
	Term loan outstanding (₹ million)	**ECL provision (₹ million)**	**PCR**	**Term loan outstanding (₹ million)**	**ECL provision (₹ million)**	**PCR**	**Term loan outstanding (₹ million)**	**ECL provision (₹ million)**	**PCR**	**Term loan outstanding (₹ million)**	**ECL provision (₹ million)**	**PCR**	**Term loan outstanding (₹ million)**	**ECL provision (₹ million)**	**PCR**
Stage-3 Loans	24,415.53	9,313.29	38.14%	17,682.54	7,328.64	41.45%	15,133.54	7,453.30	49.25%	17,087.67	8,130.26	47.58%	14,860.81	7,150.05	48.11%
Total*	**278,076.38**	**15,097.50**		**338,676.17**	**16,851.64**		**470,353.62**	**17,524.75**		**337,184.57**	**16,524.43**		**474,169.76**	**16,374.92**	
	Outstanding (₹ million)	**Provision**	**PCR**	**Outstanding**	**Provision**	**PCR**	**Outstanding**	**Provision**	**PCR**	**Outstanding**	**Provision**	**PCR**	**Outstanding**	**Provision**	**PCR**
***Excluding Funded Interest Term Loan (FITL) and incidental charges**	462.83	453.56	98.00%	629.89	605.59	96.14%	401.59	388.24	96.68%	649.03	636.21	98.02%	975.07	970.75	99.56%

Provisions for NPAs

The following table sets forth, for the years/ periods indicated, movements in our provisions against Stage-3 Loans (NPAs).

(in ₹ million)

Particulars	As of March 31,			As of September 30, 2022 (Standalone)	As of September 30, 2023 (Standalone)
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)		
NPA Provisions:					
Total Stage-3 (NPA) provisions at the beginning of the year/ period	7,355.41	9,313.29	7,328.65	7,328.64	7,453.30
Additions during the year/ period	3,524.12	1,516.91	1,611.53	1,138.53	226.37
Reductions during the year/ period on account of recovery and write-offs	1,566.24	3,501.55	1,486.87	336.92	529.62
Total Stage-3 (NPA) provisions at the end of the year/ period	**9,313.29**	**7,328.65**	**7,453.31**	**8,130.26**	**7,150.05**

Provisions held against Standard Loans

The following table sets forth our provisions held against Stage – 1 and 2 (Standard) Loans for the years/ periods indicated.

(in ₹ million)

Particulars	As of March 31,			As of September 30, 2022 (Standalone)	As of September 30, 2023 (Standalone)
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)		
Stage-1 and Stage-2 Loans (Standard)*	254,123.68	321,623.52	455,621.67	320,745.92	460,284.02
Provision held against Stage-1 and Stage-2 Loans	5,784.21	9,523.00	10,071.45	8,394.17	9,224.87

**Figures includes FITL and IC balances.*

NPA Strategy

We take action on non-performing assets through, follow up meetings, re-scheduling, and recovery through the Debt Recovery Tribunal. Further we rely on the SARFAESI Act to enforce security charged to it in the case of defaulting borrowers as well to take appropriate portfolio intervention such as the sale of non-performing loans to specialized asset reconstruction companies. We also have restructured loans to customers who have faced cash flow problems causing delay or default in servicing their loan obligations. One-time settlement ("**OTS**") is also resorted to in cases which qualify under the OTS policy of the company.

Capital Adequacy

The table below sets out our CRAR as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023, computed in terms of applicable Master Directions of Reserve Bank of India.

(in ₹ million, except percentages)

Particulars	As of March 31,			As of September 30, 2022 (Standalone)	As of September 30, 2023 (Standalone)
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)		
Paid up capital	7,846.00	22,846.00	22,846.00	22,846.00	22,846.00
Reserve and surplus	22,110.00	29,835.13	36,505.69	33,537.12	42,960.12
Tier 1 capital	27,840.78	48,145.15	54,895.62	52,171.03	62,973.78
Tier 2 capital	9,095.32	9,911.78	10,860.62	9,781.07	9,888.22
Total capital	36,936.10	58,056.93	65,756.24	61,952.10	72,862.00
Tier 1 capital adequacy ratio %	12.91%	17.60%	15.71%	19.83%	18.08%
Tier 2 capital adequacy ratio %	4.21%	3.62%	3.11%	3.72%	2.84%
CRAR %	17.12%	21.22%	18.82%	23.55%	20.92%

Treasury

The following table presents our cash and cash equivalents and short term deposits as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023.

(in ₹ million)

Particulars	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Cash and bank balances	2,210.18	871.63	1,385.31	1,920.74	2,146.97
Short term deposits – Domestic/ Foreign	174.07	440.12	420.66	33,511.40	1,547.27
Total	**2,384.25**	**1,311.57**	**1,805.97**	**35,432.14**	**3,694.24**

Borrowings

The following table sets forth, for the years/ periods indicated, information related to our borrowings, which are comprised primarily of borrowings from banks, financial institutions, bonds and non-convertible debentures.

(in ₹ million, except percentages)

Particulars	As of/ For the year ended March 31,			As of/ For the Six Months Ended September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Year/ period end balance	240,000.04	276,130.72	401,652.80	302,303.63	398,501.93
Average borrowing	229,267.75	258,065.38	338,891.76	289,217.18	400,077.37
Finance cost(1)	16,401.09	16,331.41	21,124.64	9,317.54	15,268.48
Average cost of borrowing during the year/ period(2) (%)	7.15%	6.33%	6.23%	3.22%	3.82%

Note:

(1) Finance cost including foreign exchange gain and loss.

(2) Interest expended during the period divided by average borrowings from all sources, as a percentage. For the purpose of computation of average cost of borrowings, finance cost is considered including gain or loss on foreign currency exchange rate fluctuation and other borrowing cost.

Funding Sources

We strive to maintain diverse sources of funds to reduce its costs of funding, to maintain adequate interest margins and to achieve liquidity goals.

The following table sets out our sources of funding as of March 31, 2021, 2022 and 2023 and as of September 30, 2022 and September 30, 2023:

Particulars(3)	As of March 31,						As of September 30,			
	2021 (Consolidated)		2022 (Standalone)		2023 (Standalone)		2022 (Standalone)		2023 (Standalone)	
	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings
Borrowings from domestic banks and financial institutions	33,849.51	14.10%	70,429.84	25.51%	184,920.79	46.04%	87,664.37	29.00%	1,79,297.92	44.99%
Borrowings from international banks and financial institutions	103,180.11	42.99%	104,320.31	37.78%	101,329.27	25.23%	99,826.70	33.02%	96,857.68	24.31%
Taxable bonds (non-convertible)	44,169.28	18.40%	45,230.14	16.38%	80,856.29	20.13%	60,711.71	20.08%	87,850.43	22.05%
Tax-free bonds (non-convertible)	27,576.54	11.49%	27,576.54	9.99%	27,576.54	6.87%	27,576.55	9.12%	27,576.55	6.92%
External commercial borrowings(1)	19,456.79	8.11%	19,484.70	7.06%	-	-	19,499.21	6.45%	-	-
Subordinated debt(2)	6,491.92	2.70%	6,492.60	2.35%	6,493.33	1.62%	6,492.96	2.15%	6,493.73	1.63%
Borrowings from	4,601.60	1.92%	2,014.42	0.73%	-	-	-	-	-	-

Particulars[3]	As of March 31,						As of September 30,			
	2021 (Consolidated)		2022 (Standalone)		2023 (Standalone)		2022 (Standalone)		2023 (Standalone)	
	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings	Amount (in ₹ million)	% of Total Borrowings
banks – repayable on demand										
National Clean Energy Fund	674.29	0.28%	582.17	0.21%	476.58	0.12%	532.13	0.18%	425.62	0.10%
Total	**240,000.04**	**100.00%**	**276,130.72**	**100.00%**	**401,652.80**	**100.00%**	**302,303.63**	**100.00%**	**398,501.93**	**100.00%**

Notes:
1. *Masala bonds issued are External Commercial Borrowings. These were redeemed in October 2022.*
2. *Subordinated tier II taxable, unsecured bonds.*
3. *The above source of funding has been shown at Amortised cost as per Ind AS.*

The particulars of our sources of funding are set forth below.

(in ₹ million)

Source of Funding	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Rupee borrowings	136,819.93	171,810.41	300,323.53	202,476.93	301,644.25
Foreign currency borrowings	103,180.11	104,320.31	101,329.27	99,826.70	96,857.68
Total Borrowings[1]	**240,000.04**	**276,130.72**	**401,652.80**	**302,303.63**	**398,501.93**

Note:
(1) These liabilities have been reflected as per transaction value/ actual amounts.

Foreign Currency Hedging

We have an internal committee to manage the foreign currency and interest rate risk owing to foreign currency borrowings of our Company. Further, we have foreign exchange and derivative risk management policy, as we which we manage our open exposure on foreign currency borrowings. Foreign currency borrowings from various multilateral/bilateral agencies are generally hedged and converted into rupee borrowings by way of currency swaps, principal only swaps, among others, which are entered into with various banks with whom we have signed an ISDA Master Agreement. These swap and derivative transactions are entered into with the participating bank for a different maturity period for each transaction. The hedging of the foreign currency borrowings is carried out at various intervals and in multiple tranches of draw against the lines of credit and also at the time of rollover of the derivative deals.

The particulars of foreign currency risks outstanding which are hedged are set forth below.

(in ₹ million)

Particulars	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Forward contracts/ SWAPs	79,654.68	84,915.97	82,466.67	83,511.06	71,396.61
Total	**79,654.68**	**84,915.97**	**82,466.67**	**83,511.06**	**71,396.61**

The particulars of foreign currency risks outstanding which are not hedged are set forth below.

(in ₹ million)

Particulars	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Borrowings in EUR (equivalent to INR)	8,198.36	6,075.43	5,226.81	4,661.81	3,880.98
Borrowings in USD (equivalent to INR)	647.68	473.79	308.31	407.76	207.65
Borrowings in JPY (equivalent to INR)	14,679.39	12,855.11	13,327.48	11,246.07	21,372.44
Total*	**23,525.43**	**19,404.33**	**18,862.60**	**16,315.64**	**25,461.07**
**Of the unhedged foreign currency exposure, we have taken part hedging for JPY/USD (Fiscal 2023) against JPY exposure and (USD/INR) (Fiscal 2021 and*	2,705.60	2,556.70	4,238.46	2,434.05	3,995.45

Particulars	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Fiscal 2022) against Euro exposure through principal-only swaps.					

Subordinated Debt

We have issued non-convertible subordinated debt securities during Fiscal 2021 which qualified as Tier II capital under the RBI guidelines for assessing capital adequacy for an amount of ₹ 5,000.00 million. As of September 30, 2023, we had ₹ 6,500.00 million outstanding subordinated debt (at issue price).

Perpetual Debt

We have not issued non-convertible perpetual debt securities, which qualified as Tier I or Tier II capital under the RBI guidelines for assessing capital adequacy. As of September 30, 2023, we had no outstanding perpetual debt**.**

Maturity and Interest Rate profiling of Borrowings

The following tables sets forth the maturity profile of our borrowings outstanding as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023.

(in ₹ million)

Rupee Borrowings Particulars*	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Less than or equal to 1 year	10,230.36	37,868.92	76,502.90	37,093.21	75,860.13
More than a year up to 3 years	54,583.84	51,889.36	99,032.44	61,919.89	95,938.45
More than 3 years up to 5 years	9,193.12	25,189.24	36,924.36	33,495.77	30,987.26
More than 5 years	62,875.04	56,895.68	87,888.28	69,988.32	98,888.28
Total	**136,882.36**	**171,843.20**	**300,347.98**	**202,497.19**	**301,674.12**

**Figures are based on transaction value without Ind AS adjustments for transaction cost.*

(in ₹ million)

Foreign Currency Borrowings Particulars*	As of March 31,			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Less than or equal to 1 year	7,749.32	7,789.35	8,674.42	7,675.69	8,120.68
More than a year up to 3 years	16,310.20	15,800.60	16,077.47	15,833.19	16,242.01
More than 3 years up to 5 years	17,328.95	15,253.18	16,086.34	15,143.12	15,796.85
More than 5 years	61,791.64	65,477.19	60,491.05	61,174.70	56,698.14
Total	**103,180.11**	**104,320.31**	**101,329.27**	**99,826.70**	**96,857.68**

**Figures are based on transaction value without Ind AS adjustments for transaction cost.*

The following table sets forth the interest rate profile of our borrowings outstanding for the years ended March 31, 2021, 2022, 2023 and for the six months ended September 30, 2022 and September 30, 2023.

(in ₹ million)

Particulars*	As of March 31			As of September 30,	
	2021 (Consolidated)	2022 (Standalone)	2023 (Standalone)	2022 (Standalone)	2023 (Standalone)
Foreign Currency Borrowings	**103,180.11**	**104,320.31**	**101,329.27**	99,826.70	96,857.68
Fixed rate	66,185.99	69,126.38	66,396.60	64,223.98	61,493.30
Variable rate	36,994.12	35,193.93	34,932.67	35,602.72	35,364.38
Rupees Currency Borrowings	**136,819.93**	**171,810.41**	**300,323.53**	**202,476.93**	**301,644.25**
Fixed rate	125,488.40	143,366.15	184,681.74	162,285.56	186,348.01
Variable rate	11,331.53	28,444.26	115,641.79	40,191.37	115,296.24
Total Borrowings	**240,000.04**	**276,130.72**	**401,652.80**	**302,303.63**	**398,501.93**

**Borrowing figures have been disclosed after Ind AS adjustments for transaction cost.*

Maturity Pattern

The following table sets forth our maturity pattern position as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023, which was the last reporting day in the relevant year/ period.

(in ₹ million)

Maturity Pattern of Assets & Liabilities:					
Items	**As of**	**Less than or equal to 1 year**	**More than a year up to 3 years**	**More than 3 years up to 5 years**	**Over 5 years**
Rupee Loan Assets	March 31, 2021	49,593.53	64,154.97	30,311.31	125,604.55
	March 31, 2022	62,832.38	86,588.86	45,348.33	137,792.98
	March 31, 2023	75,057.64	106,854.28	75,015.42	206,802.21
	September 30, 2022	61,763.06	81,214.50	45,389.13	141,868.62
	September 30, 2023	74,814.36	105,683.59	74,349.69	213,543.06
Foreign currency assets	March 31, 2021	174.07	-	-	-
	March 31, 2022	-	-	-	-
	March 31, 2023	-	-	-	-
	September 30, 2022	-	-	-	-
	September 30, 2023	1,435.80	-	-	-
Rupee borrowings	March 31, 2021	10,230.36	54,583.84	9,193.12	62,875.04
	March 31, 2022	37,868.91	51,889.36	25,189.24	56,895.68
	March 31, 2023	76,502.90	99,032.43	36,924.36	87,888.28
	September 30, 2022	37,093.21	61,919.89	33,495.77	69,988.32
	September 30, 2023	75,860.13	95,938.45	30,987.26	98,888.28
Foreign currency borrowings	March 31, 2021	7,749.32	16,310.20	17,328.95	61,791.64
	March 31, 2022	7,789.35	15,800.60	15,253.18	65,477.19
	March 31, 2023	8,674.42	16,077.47	16,086.34	60,491.05
	September 30, 2022	7,675.69	15,833.19	15,143.12	61,174.71
	September 30, 2023	8,120.68	16,242.01	15,796.85	56,698.15
Asset liability mismatch	March 31, 2021	31,787.92	(6,739.07)	3,789.24	937.88
	March 31, 2022	17,174.12	18,898.90	4,905.91	15,420.11
	March 31, 2023	(10,119.68)	(8,255.62)	22,004.72	58,422.89
	September 30, 2022	16,994.16	3,461.42	(3,249.76)	10,705.59
	September 30, 2023	(7,730.65)	(6,496.87)	27,565.58	57,956.63

SECTION VI: FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON

RESTATED FINANCIAL INFORMATION

To,

The Board of Directors
Indian Renewable Energy Development Agency Limited
India Habitat Centre, East Court,
Core 4 'A', 1st Floor, Lodhi Road,
New Delhi - 110003

Dear Sirs/ Madams,

1. We have examined the attached Restated Standalone and Consolidated Financial Information *(as defined hereinafter)* of Indian Renewable Energy Development Agency Limited (" **the Company**" or " **the Issuer**") and its former associate M. P. Wind Farms Limited (" **the Associate**") (the Company and the Associate together " **the group**") comprising the Restated Standalone Statement of Assets and Liabilities of the Company as at 30th September 2023, 30th September 2022 , 31st March 2023 & 31st March 2022 and the Restated Standalone Statements of Profit and Loss (including other comprehensive income), the Restated Standalone Statements of Changes in Equity, the Restated Standalone Cash Flow Statements, the Summary Statement of Material Accounting Policies, and other explanatory information for the period of six months ended 30th September 2023 & 30th September 2022 and the year ended 31st March, 2023 & 31st March 2022 of the Company and the Restated Consolidated Statement of Assets and Liabilities of the group as at and for the year 31st March 2021, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity & the Restated Consolidated Cash Flow Statement and the Summary Statement of Material Accounting Policies & and other explanatory information of the group for the year ended 31st March 2021 (collectively, the "**Restated Standalone and Consolidated Financial Information**"), as approved by the Board of Directors of the Company ("**the Board**") at their meeting held on October 25, 2023 for the purpose of inclusion in the Red Herring Prospectus("**RHP**")/Prospectus (collectively referred to as "**Offer Documents**") prepared by the Company in connection with its proposed Initial Public Offer of equity shares including an offer for sale of equity shares by the Government of India ,being a shareholder of the company (" **IPO**") in terms of the requirements of:

(a) Section 26 of Part I of Chapter III of the Companies Act, 2013,as amended ("**the Act**");

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ("**SEBI**") on September 11,2018 as amended ("**ICDR Regulations**"); and

(c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**ICAI**"), (the "**Guidance Note**").

1.1 The Company does not have any Associate as at 30th September 2023, 30th September 2022, 31st March, 2023 & 31st March 2022 and is not required to prepare Consolidated Financial statements as at and for the six months ended 30th September 2023 & 30th September 2022 and as at and for the years ended 31st March, 2023 & 31st March 2022.

2. The Board is responsible for preparation of Restated Standalone and Consolidated Financial Information for the purpose of inclusion in Offer Documents to be filed with SEBI , National Stock Exchange of India Limited and BSE Limited (collectively, the "**Stock Exchanges**") and the Registrar of Companies, National Capital Territory of Delhi and Haryana in connection with the IPO. The Restated Standalone and Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in para 4 below. The respective Board of Directors of the Company and the Associate are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone and Consolidated Financial Information. The Board is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined these Restated Standalone and Consolidated Financial Information taking into consideration:
   (a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 10, 2023 in connection with the proposed IPO ;
   (b) The Guidance Note, which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
   (c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone and Consolidated Financial Information; and
   (d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. These Restated Standalone and Consolidated Financial Information have been compiled by the management from:

(a) Audited Standalone financial statements of the Company as at and for the period of six months ended September 30, 2023, prepared in accordance with the Indian Accounting Standards ("**Ind AS**") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board at their meeting held on October 23, 2023.

(b) Audited Standalone financial statements of the Company as at and for the period of six months ended September 30, 2022, prepared in accordance with the Indian Accounting Standards ("**Ind AS**") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board at their meeting held on November 11, 2022.

(c) Audited Standalone financial statements of the Company as at and for the year ended March 31, 2023, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board at their meeting held on April 25, 2023

(d) Audited Standalone financial statements of the Company as at and for the year ended March 31, 2022, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board at their meeting held on April 30, 2022.

(e) Audited Consolidated financial statements of the group as at and for the year ended March 31, 2021, prepared in accordance with the Ind AS as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board at their meeting held on May 30, 2021.

5. For the purpose of our examination, we have relied on :

(a) i. Auditor's reports dated 23rd October, 2023 & 11th November 2022 issued by us for Standalone financial statements of the Company as at and for the period of six months ended 30th September 2023 & 30th September 2022 respectively;
ii. Auditor's reports dated 25th April, 2023 & 30th April, 2022 issued by us for Standalone financial statements of the Company as at and for the years ended 31st March 2023 & 31st March 2022 respectively; and
iii. Auditor's reports dated 30th May 2021 issued by us for Consolidated financial statements of the group as at and for the year ended March 31, 2021 respectively, as referred in Paragraph 4 above.

(b) The audit reports on the Standalone or Consolidated financial statements issued by us referred in Para 5 above, were not modified and included certain 'Key Audit Matters/Other Matter/Emphasis of Matter' in the auditor's report as per '**Annexure A'** to this report and do not entail any adjustments in the Restated Standalone and Consolidated Financial Information.

6. As indicated in the audit reports referred in Para 5 above, for year ended March 31,2021 we did not audit the financial statements of the Associate and the consolidated Ind AS financial statements for that year which were consolidated based on Equity method, included company's share in net profit/(loss) (including other comprehensive income) of the Company in respect of the Associate for the restated period as under :

(Amount ₹ in Millions)

Particulars	Six months ended 30th September 2023	Six months ended 30th September 2022	Year ended 31st March 2023	Year ended 31st March 2022*	Year ended 31st March 2021
Share of Profit/(loss) in an Associate	-	-	-	-	(0.25)
Share of net Profit/(loss) in other Comprehensive Income	-	-	-	-	0
Total Share of Profit /(Loss)	-	-	-	-	(0.25)

*Ceased to be an Associate w.e.f 27.3.2022

The financial statements of the Associate were audited by other auditor whose report was furnished to the Statutory Auditors of the Company by management of the Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the component, is based solely on the report of other auditor.

7. Based on our examination and according to the information and explanations given to us we report that the Restated Standalone and Consolidated Financial Information:

(a) Has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively for the period of six months ended 30th September 2022 and years ended 31st March 2023, 31st March 2022 and 31st March 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed in respect of financial statements for the period of six months ended 30th September, 2023.

(b) Does not contain any qualifications. However, certain significant observations in respective years' Auditor's Report on Standalone or Consolidated financial statements, which do not require any corrective adjustments in the Restated Standalone and Consolidated Financial Information, have been disclosed in '**Annexure 6'** to the Restated Standalone and Consolidated Financial Information as under :

i. Observations as per the Companies (Auditor's Report) Order, 2020 (CARO 2020) for financial year ended 31st March 2023 and 31st March 2022 respectively and Companies (Auditor's Report) Order, 2016 (CARO 2016) for financial year ended 31st March 2021 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act;

ii. Information in respect of the directions issued by the Comptroller and Auditor - General of India and Observations in respect of adequacy of Internal Financial Controls over Financial Reporting and operative effectiveness of such controls.

(c) Does not require any adjustments for the matters mentioned in paragraph 6 above; and

(d) Has been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. The Restated Standalone and Consolidated Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the audit reports on the Standalone and Consolidated Ind AS financial statements mentioned in paragraph 4 above.

9. We have also examined the following Restated Standalone and Consolidated Financial Information set out in annexure prepared by management and approved by the Board of the Company:

(a) Other significant notes as restated as appearing in Note No 01 to 38 to Restated Standalone and Consolidated Financial Information,

(b) Statement of dividends declared by the Company, as restated, for the period of six months ended 30th September 2023 & 30th September 2022 and for each of the years ended 31st March ,2023, 31st March , 2022 and 31st March 31, 2021 (collectively referred as "restated period") as appearing in ‘**Annexure-1’** to Restated Standalone and Consolidated Financial Information,

(c) Statement of Capitalization of the Company as appearing in ‘**Annexure-2’** to Restated Standalone and Consolidated Financial Information,

(d) Statement of accounting ratios for the restated period as appearing in ‘**Annexure-3’** to Restated Standalone and Consolidated Financial Information.

(e) Statement of tax shelter for proposed IPO for the restated period as appearing in ‘**Annexure-4’** to Restated Standalone and Consolidated Financial Information.

(f) Statement of reconciliation of Audited Financial Statements to Restated Standalone and Consolidated Financial Statements for the restated period as appearing in ‘**Annexure-5’** to Restated Standalone and Consolidated Financial Information.

(g) Statement of significant observations reported in report on other legal and regulatory requirement section of Audit reports for the restated period appearing in ‘**Annexure-6’** to the Restated Standalone and Consolidated Financial Information.

10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein :

(a) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

(b) Our report is intended solely for use of the Board for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, relevant Stock Exchanges and/ or the Registrar of Companies, National Capital Territory of Delhi and Haryana, in connection with the IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For DSP & ASSOCIATES
Chartered Accountants
(FRN 06791N)

SD/

(Atul Jain)

Partner
(M. No. 091431)

Place: New Delhi
Date: 25th October , 2023

UDIN: 23091431BGXXKD2165

ANNEXURE A TO THE AUDITOR'S REPORT ON RESTATED STANDALONE AND CONSOLIDATED FINANCIAL INFORMATION

Key Audit Matters, Emphasis of Matters, Other Matters and observations paragraph contained in the Audit Reports for the period of six months ended 30th September 2023 & 30th September 2022 and for each of the financial years ended 31st March 2023, 31st March 2022 and 31st March 2021.The figures are mentioned in '₹ in millions' although the figures in Auditors Report of respective years are in '₹ In Lakhs'. **The note numbers referred pertain to Restated Standalone and Consolidated financial Information and not those mentioned in original Auditor's Reports of respective years** .

i) Auditor's Report for the period of six months ended 30th September 2023

Emphasis of Matter

1. As described in Note 38 (44) to the interim Financial Statements, the company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to Rs. 8867.02 millions in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.

Our opinion is not modified in respect of above matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the interim financial statements of the current period. These matters were addressed in the context of our audit of the interim financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the Key Audit Matters for incorporation in our Report.

Sr. No.	Key Audit Matters	Auditor's Response
1.	**Impairment of Loan Assets – Expected Credit loss** Refer Note no. 38 (38 (A) (a) (ii)) to the interim Financial Statements read with accounting policy No.5(ii)– 'Financial Instruments') Financing is principal business of the Company and disclosure of Loan assets at fair value considering the provision for loss due to impairment is most significant.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Impairment of Loan Assets – Expected Credit loss include the following:** We have obtained an understanding of the guidelines as specified in Ind AS 109 "Financial Instruments", various regulatory updates, guidance of ICAI, internal instructions & procedures of the Company including the revised methodology approved during the

	The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion / framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. The measurement of an expected credit loss allowance (ECL) for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments while assessing ECL and the assumptions underlying the ECL are monitored and reviewed on an on-going basis. The proper application of such assumptions is material for statement of the Loan Assets. In view of the significance of the amount of loan assets in the Financial Statements, the loss due to impairment of loan assets has been considered as Key Audit Matter in our audit.	current period in respect of the ECL and adopted the following audit procedures: Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring, assessment of the loan impairment including testing of relevant data quality, and review of the real data entered. External rating , recoveries in the loan assets are verified to ascertain level of stress thereon and impact on impairment allowance in interim financial statements. Verification / review of the documentation, operations / performance and monitoring of the loan assets, especially large and stressed loan assets, to ascertain any overdue, unsatisfactory conduct or weakness in any loan asset account. The company avails services of third party for evaluation of ECL components and calculations in the study for impairment allowance. During the period such third party was changed and certain variables for assessing ECL were changed which were reviewed by us. Though the assessment carried out by third party are relied upon by us but the data shared with the third party is verified by us on test check basis for correctness of material components being submitted. Our audit procedure in the same are limited in view of not sharing certain parameters and software used for study of such data being considered confidential by such third party.
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 38 (37) to the interim Financial Statement read with Material Accounting policy No. 3 (xx). To mitigate the Company's exposure to foreign currency risk and interest rate, non-Rupee cash flows are monitored and derivative contracts are entered for hedging purpose. The derivatives are measured at fair value as per Ind AS 109. To qualify for hedge accounting , the hedging relationship must meet certain specified requirements as per Ind AS. Hedge accounting results in significant impact on financial statements together	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for derivatives include the following:** Verification of fair value of derivative in terms of Ind AS 109, testing the accuracy and completeness of derivative transactions. Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. Obtained details of various financial derivatives contracts as outstanding/pending for settlement as on 30th September, 2023.

	with complexity of its accounting / assumptions and numerous parameters therein for establishing hedge relationship. Gain / Loss on these derivatives is recognised in other com prehensive income or profit and loss as provided by Ind AS. The magnitude of such transactions is significant as per the operation of the company. In view of facts of the matter we have identified it as a Key Audit Matter.	Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. Appropriateness of the valuation methodologies applied and testing the same on sample basis for the derivative instruments. Additionally, we verified the accounting of gain/loss on derivatives in the other comprehensive income or Profit & Loss Account. Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 109.
3.	**Liability for Taxation including Income Tax** Refer note 38 (3 (a)) The company has material uncertain tax demands in respect of matters under dispute which involves significant judgement to determine the possible outcome of these disputes. The income tax cases for Financial Year (FY) 1997-1998 to FY 2008-2009 were referred back on direction of Hon'ble High Court / ITAT and for FY 2009-10 to 2017-18 & 2019-20 are pending with appellate authorities. Appropriate provision and disclosure of such liabilities is material to the presentation of interim financial statements. Service Tax and Goods & Service Tax (GST) Authorities have also raised certain issues and raised demands for several past periods, which are being contested. Possible outcome of these demands after considering the interpretations of law and judicial precedents , is substantial. In view of this we have identified it as a Key Audit Matter.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Liability for Income Tax include the following:** Our audit procedure includes review of various orders passed by Hon'ble Supreme Court , High Court and ITAT on the subject matter in dispute with Department of Income Tax. We undertook procedure to evaluate management position on these uncertain tax positions. For other tax matters, the facts and the legal pronouncements were analyzed and reviewed. We reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets "

ii) **Auditor's Report for the period of six months ended 30th September 2022**

Emphasis of Matter

1. As described in Note 38 (*44*) to the Financial Statements, the company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as

stage II / Standard aggregating to Rs. 11367.69 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.

Our opinion is not modified in respect of above matter.

Key audit matters

Key audit matters are those matters that-, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the Key Audit Matters for incorporation in our Report.

Sr. No.	Key Audit Matters	Auditor's Response
2.	**Impairment of Loan Assets – Expected Credit loss** Refer Note no. 38 (*38* (A) (a) (ii)) to the Financial Statements read with accounting policy No.5(ii)– 'Financial Instruments') Financing is principal business of the Company and disclosure of Loan assets at fair value considering the provision for loss due to impairment is most significant. The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion / framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. The measurement of an expected credit loss allowance (ECL) for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g.,	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Impairment of Loan Assets – Expected Credit loss include the following:** We have obtained an understanding of the guidelines as specified in Ind AS 109 "Financial Instruments", various regulatory updates, guidance of ICAI and internal instructions and procedures of the Company in respect of the ECL and adopted the following audit procedures: Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring, assessment of the loan impairment particularly in view of the Covid-19 conditions including testing of relevant data quality, and review of the real data entered. Recoveries in the loan assets are verified to ascertain level of stress thereon and impact on impairment allowance in financial statements. Verification / review of the documentation, operations /

	likelihood of customers defaulting and resulting losses). The Company makes significant judgments while assessing ECL and the assumptions underlying the ECL are monitored and reviewed on an on-going basis. The proper application of such assumptions is material for statement of the Loan Assets. In view of the significance of the amount of loan assets in the Financial Statements, the loss due to impairment of loan assets has been considered as Key Audit Matter in our audit.	performance and monitoring of the loan assets, especially large and stressed loan assets, to ascertain any overdue, unsatisfactory conduct or weakness in any loan asset account. The company avails services of third party for evaluation of ECL Components and calculations in the study for impairment allowance carried out by third party are relied upon by us and test checks are carried out for the same. The data shared with the third party is verified by us for correctness of material components being submitted. Our audit procedure in the same are limited in view of not sharing certain parameters and software used for study of such data being considered confidential by such third party. We also compared ECL with the provisioning as required by the applicable directions of the Reserve Bank of India and ensured adequacy of impairment allowance accordingly.
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 38 (*37*) to the Financial Statement read with accounting policy No. 5 (ii). To mitigate the Company's exposure to foreign currency risk and interest rate, non-Rupee cash flows are monitored and derivative contracts are entered for hedging purpose. The derivatives are measured at fair value as per Ind AS 109. To qualify for hedge accounting. The hedging relationship must meet certain specified requirements as per Ind AS. Hedge accounting results in significant impact on financial statements together with complexity of its accounting/assumptions and numerous parameters therein for establishing hedge relationship. Gain/Loss on these derivatives is recognised in other comprehensive income or profit and loss as provided by Ind AS. The magnitude of such	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for derivatives include the following:** Discussing and understanding management's perception and studying policy of the company for risk management. Verification of fair value of derivative in terms of Ind AS 109, testing the accuracy and completeness of derivative transactions. Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. Obtained details of various financial derivatives contracts as outstanding/pending for settlement as on 30th September, 2022.

	transactions is significant as per the operation of the company. In view of facts of the matter we have identified it as a Key Audit Matter.	Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. Appropriateness of the valuation methodologies applied and testing the same on sample basis for the derivative instruments. Additionally, we verified the accounting of gain/loss on derivatives in the other comprehensive income or Profit & Loss Account. Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 109.
3.	**Liability for Taxation including Income Tax** Refer note 38 (3 a) The company has material uncertain tax demands in respect of matters under dispute which involves significant judgement to determine the possible outcome of these disputes. The income tax cases for Financial Year (FY) 1997-1998 to FY 2008-2009 were referred back on direction of Hon'ble High Court / ITAT and for FY 2009-10 to 2017-18 are pending with Appellate authorities. For FY 2020-21 substantial demands have been made by way of additions which are apparent mistakes and are yet to be rectified. Appropriate provision and disclosure of such liabilities is material to the presentation of financial statements. Service Tax and Goods & Service Tax (GST) Authorities have also raised certain issues and raised demands for several past periods, which are being contested. Possible outcome of these demands is substantial.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Liability for Income Tax include the following:** Our audit procedure includes review of various orders passed by Hon'ble High Court and Hon'ble ITAT on the subject matter in dispute with Department of Income Tax. We undertook procedure to evaluate management position on these uncertain tax positions. For other tax matters, the facts and the legal pronouncements were analyzed and reviewed. We reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets "

	In view of this we have identified it as a Key Audit Matter.	
4.	**Accounting of Grants and subsidies for Renewable Energy** The company is being engaged by the Indian Government and other organizations as well as International Agencies for implementing and monitoring various programs in the field of renewable energy. This involves accounting of such transactions separately from regular business transactions, Revenue Recognition and evaluation of tax implication under Indian Tax laws. The frequency and quantum of such transactions is increasing in view of which, we have identified it as Key Audit Matter.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for grants and subsidies include the following:** Understanding the terms of reference for various such programs and their implications in accounting. Analysing the tax implications and accounting in terms of Ind AS 20- Accounting for Government Grant and Disclosure of Government Assistance

iii) **Auditor's Report for the year ending March 31, 2023**

Emphasis of Matter

1. As described in Note 38 (*44*) to the Financial Statements, the Company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to Rs. 8931.29 Millions in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.
2. As described in *Note 38 (41)* to the Financial Statements, the Company has considered possible effects from COVID-19 pandemic on Company's financial performance including the recoverability of carrying amounts of financial and non- financial assets.

Our opinion is not modified in respect of above matters.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the Key Audit Matters for incorporation in our Report.

Sr. No.	Key Audit Matters	Auditor's Response
1.	**Impairment of Loan Assets – Expected Credit loss** Refer Note no. 38 (38 (A)(a)(ii)) to the Financial Statements read with accounting policy No. 3 (xx)– 'Financial Instruments') Financing is principal business of the Company and disclosure of Loan assets at fair value considering the provision for loss due to impairment is most significant. The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion / framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. The measurement of an expected credit loss allowance (ECL) for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments while assessing ECL and the assumptions underlying the ECL are monitored and reviewed on an on-going basis. The proper application of such assumptions is material for statement of the Loan Assets. In view of the significance of the amount of loan assets in the Financial Statements, the loss due to impairment of loan assets has been considered as Key Audit Matter in our audit.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Impairment of Loan Assets - Expected Credit loss include the following:** We have obtained an understanding of the guidelines as specified in Ind AS 109 "Financial Instruments", various regulatory updates, guidance of ICAI and internal instructions and procedures of the Company in respect of the ECL and adopted the following audit procedures: Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring, assessment of the loan impairment including testing of relevant data quality, and review of the real data entered. Recoveries in the loan assets are verified to ascertain level of stress thereon and impact on impairment allowance in financial statements. Verification / review of the documentation, operations / performance, valuation of available securities and monitoring of the loan assets, especially large and stressed loan assets, to ascertain any overdue, unsatisfactory conduct or weakness in any loan asset account. The Company avails services of third party for evaluation of ECL Components. The calculations in the study for impairment allowance carried out by third party are relied upon by us and test checks are carried out for the same. The data shared with the third party is verified by us for correctness of material components being submitted. Our audit procedure in the same are limited in view of not sharing certain parameters and software

		used for study of such data being considered confidential by such third party. We also compared ECL with the provisioning as required by the applicable directions of the Reserve Bank of India and ensured adequacy of impairment allowance accordingly.
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 38 (37) to the Financial Statement read with accounting policy No. 3 (xx). To mitigate the Company's exposure to foreign currency risk and interest rate, non-Rupee cash flows are monitored and derivative contracts are entered for hedging purpose. The derivatives are measured at fair value as per Ind AS 109. To qualify for hedge accounting. The hedging relationship must meet certain specified requirements as per Ind As. Hedge accounting results in significant impact on financial statements together with complexity of its accounting/assumptions and numerous parameters therein for establishing hedge relationship. Gain/Loss on these derivatives is recognised in other comprehensive income or profit and loss as provided by Ind AS. The magnitude of such transactions is significant as per the operation of the company. In view of facts of the matter we have identified it as a key audit matter.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for derivatives include the following:** Discussing and understanding management's perception and studying policy of the company for risk management. Verification of fair value of derivative in terms of Ind AS 109, testing the accuracy and completeness of derivative transactions. Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. Obtained details of various financial derivatives contracts as outstanding/pending for settlement as on 31st March, 2023. Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. Appropriateness of the valuation methodologies applied and testing the same on sample basis for the derivative instruments. Additionally, we verified the accounting of gain/loss on derivatives in the other comprehensive income or Profit & Loss Account. Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 109.
3.	**Liability for Taxation including Income Tax** Refer note 38 (3)(a) The company has material uncertain tax demands in respect of matters under dispute which	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Liability for Income Tax include the following:**

	involves significant judgement to determine the possible outcome of these disputes. The income tax cases for Financial Year (FY) 1997-1998 to FY 2008-2009 were referred back on direction of Hon'ble High Court / ITAT and for FY 2009-10 to 2017-18 are pending with Appellate authorities. For FY 2020-21& 2021-22 substantial demands have been made by way of additions which are apparent mistakes and are yet to be rectified. Appropriate provision and disclosure of such liabilities is material to the presentation of financial statements. Service Tax and Goods & Service Tax (GST) Authorities have also raised certain issues and recently raised demands for several past periods, which are being contested. Possible outcome of these demands is substantial. In view of this we have identified it as a key audit matter.	Our audit procedure includes review of various orders passed by Hon'ble High Court and Hon'ble ITAT on the subject matter in dispute with Department of Income Tax. We undertook procedure to evaluate management position on these uncertain tax positions. For other tax matters, the facts and the legal pronouncements were analyzed and reviewed. We reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets "
4.	**Accounting of Grants and subsidies for Renewable Energy** The Company is being engaged by the Indian Government and other organizations as well as International Agencies for implementing and monitoring various programs in the field of renewable energy. This involves accounting of such transactions separately from regular business transactions, Revenue Recognition and evaluation of tax implication under Indian Tax laws. The frequency and quantum of such transactions is increasing in view of which, we have identified it as Key Audit Matter.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for grants and subsidies include the following:** Understanding the terms of reference for various such programs and their implications in accounting. Analysing the tax implications and accounting in terms of Ind AS 20**-** Accounting for Government Grant and Disclosure of Government Assistance

iii) Auditor's Report for the year ending March 31, 2022

a) Emphasis of Matter

1. As described in Note 38 (44) to the Financial Statements The Company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 9187.92 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.

2. As described in Note *38 (41) to* Financial Statements, the extent to which the COVID-19 pandemic including the recent surge in infections will have impact on Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time.

3. As described in Note No.38 (26) to the Financial Statements, during the year, the Company has liquidated its Investment in Associate Company, M/s M.P. Windfarms Limited .Accordingly, no consolidated Financial Results are required to be presented by the Company.

Our opinion is not modified in respect of above matters.

b) Key audit matters

Key audit matters are those matters that-, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the Key Audit Matters for incorporation in our Report.

Sr. No.	Key Audit Matters	Auditor's Response
1.	**Impairment of Loan Assets – Expected Credit loss** Refer Note no. 38 (38) (A)(a)(ii)) to the Financial Statements read with accounting policy No. 3 (xx)– 'Financial Instruments') Financing is principal business of the Company and disclosure of Loan assets at fair value considering the provision for loss due to impairment is most significant. The Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain criterion / framework classifying the	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Impairment of Loan Assets – Expected Credit loss include the following:** We have obtained an understanding of the guidelines as specified in Ind AS 109 "Financial Instruments", various regulatory updates, guidance of ICAI and internal instructions and procedures of the Company in respect of the ECL and adopted the following audit procedures: Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring, assessment of the loan impairment particularly in view of the Covid-

	assets into various stages depending upon credit risk and level of evidence of impairment. The measurement of an expected credit loss allowance (ECL) for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments while assessing ECL and the assumptions underlying the ECL are monitored and reviewed on an on-going basis. The proper application of such assumptions is material for statement of the Loan Assets. In view of the significance of the amount of loan assets in the Financial Statements, the loss due to impairment of loan assets has been considered as Key Audit Matter in our audit.	19 conditions including testing of relevant data quality, and review of the real data entered. Recoveries in the loan assets are verified to ascertain level of stress thereon and impact on impairment allowance in financial statements. Verification / review of the documentation, operations / performance and monitoring of the loan assets, especially large and stressed loan assets, to ascertain any overdue, unsatisfactory conduct or weakness in any loan asset account. The company avails services of third party for evaluation of ECL Components and calculations in the study for impairment allowance carried out by third party are relied upon by us and test checks are carried out for the same. The data shared with the third party is verified by us for correctness of material components being submitted. Our audit procedure in the same are limited in view of not sharing certain parameters and software used for study of such data being considered confidential by such third party
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 38 (37) to the Financial Statement read with accounting policy No. 3 (xx). To mitigate the Company's exposure to foreign currency risk and interest rate, non-Rupee cash flows are monitored and derivative contracts are entered for hedging purpose. The derivatives are measured at fair value as per Ind AS 109. To qualify for hedge accounting. The hedging relationship must meet certain specified requirements as per Ind AS. Hedge accounting results in significant impact on financial statements together with complexity of its accounting/assumptions and numerous parameters therein for establishing hedge relationship. Gain/Loss on these derivatives is recognised in other comprehensive income or profit and loss as provided by Ind AS. The magnitude of	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for derivatives include the following:** Discussing and understanding management's perception and studying policy of the company for risk management. Verification of fair value of derivative in terms of Ind AS 109, testing the accuracy and completeness of derivative transactions. Evaluation of management's key internal controls over classification, valuation, and valuation models of derivative instruments. Obtained details of various financial derivatives contracts as outstanding/pending for settlement as on 31st March, 2022. Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts.

	such transactions is significant as per the operation of the company. In view of facts of the matter we have identified it as a key audit matter.	Appropriateness of the valuation methodologies applied and testing the same on sample basis for the derivative instruments. Additionally, we verified the accounting of gain/loss on derivatives in the other comprehensive income or Profit & Loss Account. Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 109.
3.	**Liability for Taxation including Income Tax** Refer note 38(3)(a) The company has material uncertain tax demands in respect of matters under dispute which involves significant judgement to determine the possible outcome of these disputes. The income tax cases for Financial Year (FY) 1997-1998 to FY 2008-2009 were referred back on direction of Hon'ble High Court / ITAT and for FY 2009-10 to 2017-18 are pending with Appellate authorities. For FY 2019-20 substantial demands have been made by way of additions which are apparent mistakes and are yet to be rectified. Appropriate provision and disclosure of such liabilities is material to the presentation of financial statements. Service Tax and Goods & Service Tax (GST) Authorities have also raised certain issues and recently raised demands for several past periods, which are being contested. Possible outcome of these demands is substantial. In view of this we have identified it as a key audit matter.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Liability for Income Tax include the following:** Our audit procedure includes review of various orders passed by Hon'ble High Court and Hon'ble ITAT on the subject matter in dispute with Department of Income Tax. We undertook procedure to evaluate management position on these uncertain tax positions. For other tax matters, the facts and the legal pronouncements were analyzed and reviewed. We reviewed the appropriateness and adequacy of disclosures by the management as required in terms of Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets "

4.	**Accounting of Grants and subsidies for Renewable Energy** The Company is being engaged by the Indian Government and other organizations as well as International Agencies for implementing and monitoring various programs in the field of renewable energy. This involves accounting of such transactions separately from regular business transactions, Revenue Recognition and evaluation of tax implication under Indian Tax laws. The frequency and quantum of such transactions is increasing in view of which, we have identified it as Key Audit Matter.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for grants and subsidies include the following:** Understanding the terms of reference for various such programs and their implications in accounting. Analysing the tax implications and accounting in terms of Ind AS 20- Accounting for Government Grant and Disclosure of Government Assistance

iv) Auditor's Report for the year ending March 31, 2021

a) Emphasis of Matter

As described in Note 38 (41) to the Restated Standalone and Consolidated Financial Statements, the extent to which the COVID-19 pandemic including the current "second wave" will have impact on the Parent and its associate Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time.

Our opinion is not modified in respect of the above matter

b) Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have considered the matters described below to be the Key Audit Matters for incorporation in our Report.

Sr. No.	Key Audit Matters	Auditor's Response
1.	**Impairment of Loan Assets – Expected Credit loss** (Refer Note no. 38 (38)(A)(a)(ii) to the Restated Standalone and Consolidated Financial Statements read with accounting policy No. 3 (xx) – 'Financial Instruments') Financing is principal business of the Parent Company and disclosure of Loan assets at fair	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Impairment of Loan Assets – Expected Credit loss include the following :** We have obtained an understanding of the guidelines as specified in Ind AS 109

	value considering the provision for loss due to impairment is most significant. The Parent Company follows a Board approved methodology wherein assessment for allowance is carried out by an external agency for impairment based on certain Criterion/framework classifying the assets into various stages depending upon credit risk and level of evidence of impairment. The measurement of an expected credit loss allowance (ECL) for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g., likelihood of customers defaulting and resulting losses).The Parent Company makes significant judgments while assessing ECL and the assumptions underlying the ECL are monitored and reviewed on an on-going basis. The proper application of such assumptions is material for statement of the Loan Assets. In view of the significance of the amount of loan assets in the Restated Standalone and Consolidated Financial Statements, the loss due to impairment of loan assets has been considered as Key Audit Matter in our audit.	"Financial Instruments", various regulatory updates and the Parent Company's internal instructions and procedures in respect of the expected credit loss and adopted the following audit procedures: • Evaluation and testing of the key internal control mechanisms with respect to the loan assets monitoring, assessment of the loan impairment including testing of relevant data quality, and review of the real data entered. • Recoveries in the loan assets are verified to ascertain level of stress thereon and impact on impairment allowance in financial statements. • Verification / review of the documentations, operations / performance and monitoring of the loan assets, especially large and stressed loan assets, to ascertain any overdue, unsatisfactory conduct or weakness in any loan asset account. • The Parent Company avails services of third party for evaluation of ECL. Components and calculations in the study for impairment allowance carried out by third party are relied upon by us and test checks are carried out for the same. The data shared with the third party is verified by us for correctness of material components being submitted. Our audit procedure in the same are limited in view of not sharing certain parameters and software used for study of such data being considered confidential by such third party.
2.	**Fair valuation of Derivative Financial Instruments** (Refer Note No. 38(37) to the Restated Standalone and Consolidated Financial Statements read with accounting policy No. 3 (xx). To mitigate the Parent Company's exposure to foreign currency risk and interest rate, non- Rupee cash flows are monitored and derivative contracts are entered for hedging purpose. The derivatives are measured at fair value as per Ind AS 109. To qualify for hedge accounting, the hedging relationship must meet certain specified requirements as per Ind AS. Hedge accounting results in significant impact on financial statements	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for derivatives include the following :** Discussing and understanding management's perception and studying policy of the Parent Company for risk management. Verification of fair value of derivative in terms of Ind AS 109, testing the accuracy and completeness of derivative transactions. Evaluation of Parent Company's management's key internal controls over

	together with complexity of its accounting/ assumptions and numerous parameters therein for establishing hedge relationship. Gain/ loss on these derivatives are recognised in other comprehensive income or Profit and Loss as provided by Ind AS. The magnitude of such transactions is significant as per the operations of the Parent Company. In view of facts of the matter we have identified it as a key audit matter.	classification, valuation, and valuation models of derivative instruments. Obtained details of various financial derivative contracts as outstanding/ pending for settlement as on 31st March, 2021. Verification of underlying assumptions in estimating the fair valuation arrived at for those financial derivative contracts. Appropriateness of the valuation methodologies applied and testing the same on sample basis for the derivative instruments. Additionally, we verified the accounting of gain/loss on derivatives in the other comprehensive income or Profit & Loss Account. Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of IND AS 109.
3.	**Liability for Income Tax** Refer note 38 (3) (a) to the Restated Standalone and Consolidated financial statement. The Parent Company has material uncertain tax demands in respect of matters under dispute which involves significant judgement to determine the possible outcome of these disputes. The income tax cases for Assessment Year 1998-1999 to Assessment Year 2009-2010 were referred back on direction of Hon'ble High Court / ITAT pand for Financial Year (FY) 2009-10 to 2017-18 are pending with Appellate authorities. Appropriate provision and disclosure of such liabilities is material to the presentation of financial statements. In view of this we have identified it as a key audit matter.	**Our Audit procedures based on which we arrived at conclusion regarding reasonableness of the disclosures and accounting for Liability for Income Tax include the following :** Our audit procedure include review of various orders passed by Honorable High Court and Honorable ITAT on the subject matter in the dispute with Department of Income Tax .We undertook procedure to evaluate management position on these uncertain tax positions. Reviewed the appropriateness and adequacy of disclosures by the management as required in terms of IND AS 37 " Provisions, Contingent Liabilities and Contingent Assets "

For DSP & ASSOCIATES
Chartered Accountants
FRN:- 06791N

SD/

(Atul Jain)
Partner
(M. No. 091431)
Place: New Delhi
Date: October 25, 2023

Indian Renewable Energy Development Agency Limited
CIN: U65100DL1987GOI027265
Restated Standalone & Consolidated Statement of Assets and Liabilities

(₹ in Millions)

S.No	Particulars	Note No.	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
I	**ASSETS**						
A	**Financial Assets**						
	(a) Cash and cash equivalents	2	3,602.39	23,463.16	1,385.31	1,311.75	2,210.18
	(b) Bank Balance other than (a) above	3	11,026.85	20,449.76	8,162.39	3,955.19	3,822.92
	(c) Derivative financial instruments	4	4,516.44	4,537.08	5,740.52	3,983.30	4,030.90
	(d) Receivables						
	(i) Trade Receivables	5	39.75	30.50	49.14	45.27	29.70
	(e) Loans	6	4,67,128.84	3,29,417.51	4,62,269.24	3,31,744.48	2,69,056.43
	(f) Investments	7	993.20	992.85	993.03	992.68	-
	(g) Other financial assets	8	311.31	307.27	318.06	318.20	227.95
	Total (A)		**4,87,618.78**	**3,79,198.13**	**4,78,917.69**	**3,42,350.87**	**2,79,378.08**
B	**Non-financial Assets**						
	(a) Current Tax Assets (Net)	9	1,648.50	2,027.32	1,439.24	1,298.45	1,084.60
	(b) Deferred Tax Assets (Net)	10	2,640.04	2,876.49	3,010.02	3,220.59	2,109.92
	(c) Investment Property	11	0.27	0.33	0.30	0.36	0.43
	(d) Property, Plant and Equipment	12	2,046.55	2,201.61	2,128.43	2,301.07	2,463.78
	(e) Capital Work-in-progress	13	124.86	1,287.89	1,392.63	1,283.33	0.09
	(f) Right of use asset	14	1,430.54	167.56	158.58	176.53	196.18
	(g) Intangible assets under development	15	48.56	42.54	48.56	31.12	-
	(h) Intangible assets	16	0.12	0.46	0.14	0.45	1.06
	(i) Other non-financial assets	17	17,006.69	16,972.06	17,374.24	16,421.28	17,694.43
	(j) Investment accounted using Equity Method		-	-	-	-	5.34
	Total (B)		**24,946.13**	**25,576.26**	**25,552.13**	**24,733.18**	**23,555.83**
	Total Assets (A+B)		**5,12,564.91**	**4,04,774.39**	**5,04,469.83**	**3,67,084.05**	**3,02,933.91**
II.	**LIABILITIES AND EQUITY**						
	LIABILITIES						
A	**Financial Liabilities**						
	(a) Derivative financial instruments	4	1,733.79	4,511.06	1,514.68	1,825.75	918.32
	(b) Payables						
	(I) Trade Payables	18					
	(i) total outstanding dues of micro enterprises and small enterprises		1.96	0.60	2.53	6.23	4.35
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		341.15	18.88	42.33	41.42	216.60
	(c) Debt Securities	19	1,15,426.98	1,07,787.47	1,08,432.83	92,291.38	91,202.61
	(d) Borrowings (Other than Debt Securities)	20	2,76,581.22	1,88,023.20	2,86,726.64	1,77,346.74	1,42,305.51
	(e) Subordinated Liabilities	21	6,493.73	6,492.96	6,493.33	6,492.60	6,491.92
	(f) Other financial liabilities	22	17,793.05	14,594.46	13,354.34	8,360.04	8,630.25
	Total(A)		**4,18,371.88**	**3,21,428.63**	**4,16,566.67**	**2,86,364.16**	**2,49,769.56**
B	**Non-Financial Liabilities**						
	(a) Provisions	23	10,397.07	9,440.30	11,181.58	10,559.66	6,024.59
	(b) Other non-financial liabilities	24	17,989.84	17,522.34	17,369.89	17,479.10	17,183.76
	Total(B)		**28,386.91**	**26,962.64**	**28,551.47**	**28,038.76**	**23,208.35**
C	**EQUITY**						
	(a) Equity Share Capital	25	22,846.00	22,846.00	22,846.00	22,846.00	7,846.00
	(b) Other Equity	26	42,960.12	33,537.12	36,505.69	29,835.13	22,110.00
	Total(C)		**65,806.12**	**56,383.12**	**59,351.69**	**52,681.13**	**29,956.00**
	Total Liabilities and Equity (A+B+C)		**5,12,564.91**	**4,04,774.39**	**5,04,469.83**	**3,67,084.05**	**3,02,933.91**

The above statement should be read with Basis of Preparation, Material Accounting Policies and Notes to Restated Standalone & Consolidated financial statements

Material Accounting Policies	1
Notes to Restated Standalone & Consolidated Financial Statements	38

As per our Report of even date
For D S P & Associates
Chartered Accountants
ICAI Regn No.- 006791N

CA. Atul Jain
Partner
M.No.- 091431

Place : New Delhi
Date : October 25, 2023

For and on Behalf of the Board of Directors

Bijay Kumar Mohanty
Director (Finance)
DIN No. 08816532

Pradip Kumar Das
Chairman & Managing Director
DIN No. 07448576

Ekta Madan
Company Secretary & Compliance Officer
ACS. No. 23391

Indian Renewable Energy Development Agency Limited

CIN: U65100DL1987GOI027265

Restated Standalone & Consolidated Statement of Profit and Loss (including Other Comprehensive Income)

(₹ in Millions)

S.No	Particulars	Note No.	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
I	**Revenue from Operations**						
i)	Interest Income	27	22,856.86	15,329.42	33,738.27	27,132.21	25,643.38
ii)	Fees and Commission Income	28	208.65	161.35	373.33	1,063.86	337.73
iii)	Net gain/(loss) on fair value changes on derivatives	29	(113.21)	100.68	124.28	(14.73)	(124.73)
iv)	Other Operating Income	30	246.03	181.26	583.87	417.65	691.74
	Total Revenue from operations (I)		**23,198.33**	**15,772.71**	**34,819.75**	**28,598.99**	**26,548.12**
II	Other Income	31	6.25	4.79	10.69	142.56	29.32
III	**Total Income (I+II)**		**23,204.58**	**15,777.50**	**34,830.44**	**28,741.55**	**26,577.44**
IV	**Expenses**						
i)	Finance Cost	32	15,568.97	9,272.47	20,884.38	15,872.51	15,702.62
ii)	Net translation/ transaction exchange loss	33	(300.49)	45.07	240.26	458.90	698.47
iii)	Impairment on financial instruments	34	(1,143.75)	(328.50)	665.79	1,798.98	3,416.45
iv)	Employee Benefits Expenses	35	329.46	301.05	630.93	588.18	473.60
v)	Depreciation, amortization and impairment	36	130.20	114.70	234.98	232.43	226.74
vi)	Others expenses	37	380.87	201.23	711.87	1,357.10	200.24
vii)	Corporate Social Responsibility Expenses	38(28)	44.98	9.81	69.74	95.06	164.16
	Total Expenses (IV)		**15,010.24**	**9,615.83**	**23,437.96**	**20,403.15**	**20,882.28**
V	Profit/(loss) before exceptional items and tax (III-IV)		8,194.34	6,161.67	11,392.49	8,338.40	5,695.16
VI	Exceptional Items				-	-	-
VII	**Profit/(loss) before tax (V-VI)**		**8,194.34**	**6,161.67**	**11,392.49**	**8,338.40**	**5,695.16**
VIII	**Tax expense**						
	(i) Income tax	38(30)	2,030.45	1,715.51	2,531.73	3,111.96	2,916.23
	(ii) Deferred tax		370.74	343.50	214.48	(1,108.83)	(685.13)
IX	Share of Profit/(Loss) in Associate		-	-	-	-	(0.25)
X	Profit/(loss) for the period from continuing operations (VII-VIII+IX)		5,793.15	4,102.66	8,646.28	6,335.28	3,463.81
XI	**Profit/(loss) for the period**		**5,793.15**	**4,102.66**	**8,646.28**	**6,335.28**	**3,463.81**
XII	**Other Comprehensive Income(OCI)**						
(A)	(i) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans		(3.01)	2.36	(15.54)	(7.29)	(14.10)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.76	(0.59)	3.91	1.83	(1.62)
	Subtotal (A)		**(2.25)**	**1.76**	**(11.63)**	**(5.46)**	**(15.72)**
(B)	(i) Items that will be reclassified to profit or loss :-						
	Effective portion of gain /(loss) on hedging instrument in cash flow hedge reserve		(2,142.62)	(2,445.59)	(502.11)	(1,032.31)	(3,282.86)
	(ii) Income tax relating to items that will be reclassified to profit or loss		539.26	615.51	126.37	259.81	826.23
	Subtotal (B)		(1,603.37)	(1,830.08)	(375.74)	(772.50)	(2,456.63)
	Other Comprehensive Income (A+B)		**(1,605.62)**	**(1,828.32)**	**(387.37)**	**(777.96)**	**(2,472.35)**
XIII	**Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and other Comprehensive Income for the period)**		**4,187.53**	**2,274.34**	**8,258.90**	**5,557.31**	**991.46**
XIV	**Earning per equity share (For continuing operations)**						
	Basic (₹)	38(13)	2.54	1.80	3.78	8.03	4.41
	Diluted (₹)		2.54	1.80	3.78	8.03	4.41

The above statement should be read with Basis of Preparation, Material Accounting Policies and Notes to Restated Standalone & Consolidated financial statements

Material Accounting Policies	1
Notes to Restated Standalone & Consolidated Financial Statements	38

As per our Report of even date

For D S P & Associates

Chartered Accountants

ICAI Regn No.- 006791N

For and on Behalf of the Board of Directors

CA. Atul Jain
Partner
M.No.- 091431

Bijay Kumar Mohanty
Director (Finance)
DIN No. 08816532

Pradip Kumar Das
Chairman & Managing Director
DIN No. 07448576

Place : New Delhi
Date : October 25, 2023

Ekta Madan
Company Secretary & Compliance Officer
ACS. No. 23391

Indian Renewable Energy Development Agency Limited
CIN: U65100DL1987GOI027265
Restated Standalone & Consolidated Statement of Cash Flows

(₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)		For the half year ended Sept 30, 2022 (Standalone)		For the year ended March 31, 2023 (Standalone)		For the year ended March 31, 2022 (Standalone)		For the year ended March 31, 2021 (Consolidated)	
A **Cash Flow from Operating Activities:**										
Profit Before Tax	8,194.34		6,161.67		11,392.49		8,338.40		5,695.16	
Adjustment for:										
1 Loss on sale of Fixed Assets/Adjustment (Net)	4.47		0.80		1.30		0.41		0.10	
2 Profit on sale of Investments	-		-		-		(1.20)		-	
3 Impairment of Financial Assets	(1,143.75)		(328.50)		665.79		1,798.98		3,416.45	
4 Depreciation & Amortisation	130.20		114.70		234.98		232.43		226.74	
5 Interest on lease liability	1.83		1.93		3.82		0.67		0.79	
6 Net translation/ transaction exchange loss	(300.49)		45.07		240.26		458.90		698.47	
7 Provision Written Back	-		-		-		(0.65)		(19.92)	
8 Bad debts	-		-		-		130.20		-	
9 Amounts Written Off	11.12		4.81		0.12		141.03		27.45	
10 Provisions for Employee Benefits	25.03		(3.66)		8.77		29.56		16.40	
11 Effective Interest Rate on Debt securities	0.83		12.08		13.64		28.77		26.75	
12 Effective Interest Rate on other than Debt Securities	0.03		0.07		0.14		0.21		0.27	
13 Effective Interest Rate on Sub debt	0.40		0.37		0.73		0.68		(5.08)	
14 Effective Interest Rate on Loans	(72.05)		70.88		646.81		296.78		173.23	
15 Provision for Indirect Tax & other (on Guarantee Commission)	45.03		45.03		90.06		741.11		(49.20)	
16 Net gain on fair value changes on derivatives	(113.21)		100.68		124.28		14.73		124.73	
Operating profit before changes in operating assets/liabilities	**6,783.78**		**6,225.92**		**13,423.19**		**12,211.01**		**10,332.34**	
Increase / (Decrease) in operating assets / liabilities										
1 Loans	(4,512.49)		2,579.78		(1,31,329.92)		(61,269.02)		(41,476.30)	
2 Other Financial Assets	1,343.85		(643.68)		(1,881.69)		(60.17)		20.77	
3 Other Non Financial Assets	367.54		(550.78)		(952.96)		(10.09)		(12.07)	
4 Trade Receivable	9.39		14.77		(3.87)		(15.56)		1.53	
5 Other non-financial liabilities	619.95		(1,115.12)		(109.20)		266.39		(269.87)	
6 Other financial liability	2,519.45		6,474.05		4,180.90		(292.40)		(927.89)	
7 Lease Liability	(0.52)		(0.71)		(1.30)		-		-	
8 Trade Payable	294.00		(28.06)		(2.58)		(173.10)		(259.42)	
9 Bank Balances other than Cash and Cash equivalent	(2,864.44)		(16,494.56)		(4,207.22)		(132.26)		1,523.47	
	(2,223.27)		**(9,764.30)**		**(1,34,307.84)**		**(61,686.20)**		**(41,399.78)**	
Cash Flow Before Exceptional Items	**4,560.51**		**(3,538.38)**		**(1,20,884.64)**		**(49,475.19)**		**(31,067.44)**	
Exceptional Item	-		-		-		-		-	
Cash Generated from Operations before Tax	**4,560.51**		**(3,538.38)**		**(1,20,884.64)**		**(49,475.19)**		**(31,067.44)**	
Income Tax	(1,700.45)		(1,828.87)		(2,546.14)		(3,065.99)		(1,523.96)	
Net Cash Generated from Operations		2,860.06		(5,367.24)		(1,23,430.78)		(52,541.18)		(32,591.40)
B **Cash Flow From Investing Activities**										
1 Purchase of Property, Plant and equipment	(32.65)		(6.98)		(46.27)		(50.18)		(19.49)	
2 Purchase of Intangible assets	(0.00)		(0.13)		(0.06)					
3 Purchase of Right to Use Assets	-		(11.42)							
4 Sale of Property, Plant & Equipment	0.75		-		0.99		0.37		0.03	
5 Intangible asset under development	-		(4.56)		(17.44)		(31.12)		-	
6 Investment in Securities	-		-		-		(990.28)		-	
7 Advance for Capital Expenditure/CWIP	(25.02)		-		(109.31)		-		(1.52)	
Net Cash flow from Investing Activities		(56.93)		(23.10)		(172.09)		(1,071.21)		(20.98)
C **Cash Flow from Financing Activities**									0	
1 Equity Contribution	-		-		-		15,000.00			
2 Issue of Debt Seurities (Net of redemption)	6,993.32		15,484.00		16,127.81		1,060.00		(1,500.00)	
3 Raising of Loans Other than Debt Securities (Net of repayments)	(7,578.06)		12,058.97		1,07,551.15		36,662.09		20,917.76	
4 Raising of Subordinated Liabilities (Net of redemption)	-		-		-		-		5,000.00	
5 Payment for Lease Liability	(1.31)		(1.22)		(2.53)		(8.13)		(5.98)	
6 Dividend	-		-		-		-		-	
7 Corporate Dividend Tax	-		-		-		-		-	
Net Cash flow from Financing Activities		(586.05)		27,541.75		1,23,676.43		52,713.96		24,411.78
Net Increase in Cash and Cash Equivalents		**2,217.08**		**22,151.42**		**73.56**		**(898.43)**		**(8,200.61)**
Cash and Cash Equivalents at the beginning of the year		1,385.31		1,311.75		1,311.75		2,210.18		10,410.78
Cash and Cash Equivalents at the end of the year		3,602.39		23,463.16		1,385.31		1,311.75		2,210.18
Net Increase in Cash and Cash Equivalents		**2,217.08**		**22,151.42**		**73.56**		**(898.43)**		**(8,200.60)**
COMPONENTS OF CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD										
In Current Accounts with Banks in Indian Branch		1,126.59		1,478.25		408.41		778.56		2,189.13
In Current Accounts with Banks in Foreign Branch		644.72		0.27		0.27		0.25		1.00
Short term Deposits in Foreign Branches		1,435.80		-		-		-		-
In Overdraft Accounts with Banks		307.97		381.25		960.88		1.84		-
In Deposit Accounts with Banks		19.62		21,542.42		-		440.12		-
In Saving Bank Accounts with Banks		67.70		60.95		15.75		90.95		20.02
Cheques Under Collection/DD In hand and Postage impress		-		0.02		-		0.03		0.03
Total :		**3,602.39**		**23,463.16**		**1,385.31**		**1,311.75**		**2,210.18**

Notes to the Cash Flow statement.

1 The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

2 May refer Note 38 (28) for amounts spend on construction / acquisition of assets and other purposes related to CSR activities .

The above statement should be read with Basis of Preparation, Material Accounting Policies and Notes to Restated Standalone & Consolidated financial statements

As per our Report of even date
For D S P & Associates
Chartered Accountants
ICAI Regn No.- 006791N

For and on Behalf of the Board of Directors

CA. Atul Jain
Partner
M.No.- 091431

Bijay Kumar Mohanty
Director (Finance)
DIN No. 08816532

Pradip Kumar Das
Chairman & Managing Director
DIN No. 07448576

Place : New Delhi
Date : October 25, 2023

Ekta Madan
Company Secretary & Compliance Officer
ACS. No. 23391

Indian Renewable Energy Development Agency Limited

CIN: U65100DL1987GOI027265

Restated Standalone & Consolidated Statement of Changes In Equity

For the period from 1st April, 2020 to 30th September, 2023

(₹ in Millions)

A

Equity Share Capital	
Restated balance as at April 01, 2020	7,846.00
Changes during the year	-
Balance as at March 31, 2021	7,846.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 01, 2021	7,846.00
Changes during the year	15,000.00
Balance as at March 31, 2022	22,846.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance as at April 01, 2022	22,846.00
Changes during the year	-
Balance as at March 31, 2023	22,846.00
Balance as at 01.04.2022	22,846.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at at 01.04.2022	22,846.00
Changes during the half year	-
Balance as at 30.09.2022	22,846.00
Balance as at 01.04.2023	22,846.00
Changes in Equity Share Capital due to prior period errors	-
Restated balance at at 01.04.2023	22,846.00
Changes during the half year	-
Balance as at 30.09.2023	22,846.00

Indian Renewable Energy Development Agency Limited

CIN: U65100DL1987GOI027265

Restated Standalone & Consolidated Statement of Changes In Equity

B Other Equity

(₹ in Millions)

Particulars	Reserve & Surplus							Effective portion of Cash Flow Hedges	Total
	General Reserve	Special Reserve u/s 36(1)(viii) of income Tax Act 1961	Debenture Redemption Reserve	Deferred grants	NBFC Reserve u/s 45-IC of Reserve Bank of India Act, 1934	Retained Earning	Foreign Currency Monetary Item Translation Reserve		
Balance as at March 31, 2020	**8,829.83**	**9,347.14**	**2,591.02**	**-**	**918.27**	**804.25**	**(10,134.53)**	**5,015.60**	**17,371.58**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	**-**
Restated balance as at April 01, 2020	**8,829.83**	**9,347.14**	**2,591.02**	**-**	**918.27**	**804.25**	**(10,134.53)**	**5,015.60**	**17,371.58**
Profit for the year	-	-	-	**-**	-	3,463.81			**3,463.81**
Remeasurment of defined benefit plans (Net of Taxes)	-	-	-	**-**	-	(15.72)	-	-	**(15.72)**
Fair Value Changes relating to on credit risk of financial liabilities designated at fair value through profit or loss	-	-	-	**-**	-	-	-	-	**-**
Recognition through Other Comprehensive Income (Net of Taxes)	-	-	-	**-**	-		-	(2,456.63)	**(2,456.63)**
Total Comprehensive Income for the year ended March 31, 2021	**-**	**-**	**-**	**-**	**-**	**3,448.09**	**-**	**(2,456.63)**	**991.46**
Transfer to Reserves during the year	1,950.00	1,111.95	462.91	**-**	700.00	(4,224.86)			**-**
Foreign Currency Translation Loss on long term monetary items during the year	-	-	-	**-**	-	-	3,048.82		**3,048.82**
Amortisation during the year	-	-	-	**-**	-	-	698.13		**698.13**
Dividend Paid	-	-	-	**-**	-	-			**-**
Corporate Dividend Tax	-	-	-	**-**	-	-			**-**
Balance as at March 31, 2021	**10,779.83**	**10,459.10**	**3,053.93**	**-**	**1,618.27**	**27.48**	**(6,387.58)**	**2,558.97**	**22,110.00**
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-	-	**-**
Less: Elimination of accumulated share in profits of associate (Refer Note 38(26)	-	-	-	-	-	(4.14)	-	-	**(4.14)**
Restated balance as at April 01, 2021	**10,779.83**	**10,459.10**	**3,053.93**	**-**	**1,618.27**	**23.34**	**(6,387.58)**	**2,558.97**	**22,105.86**
Profit for the year	-	-	-	-	-	6,335.28	-	-	**6,335.28**
Remeasurment of defined benefit plans (Net of taxes)	-	-	-	-	-	(5.46)	-	-	**(5.46)**
Fair Value Changes relating to on credit risk of financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	**-**
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-	-	(772.51)	**(772.51)**
Total Comprehensive Income for the year ended March 31, 2022	**-**	**-**	**-**	**-**	**-**	**6,329.82**	-	**(772.51)**	**5,557.31**
Transfer to Reserves during the year	3,450.00	1,156.43	462.91	**-**	1,270.00	(6,339.34)	-	-	**-**
Foreign Currency Translation Loss on long term monetary items during the year	-	-	-	**-**	-	-	1,713.37	-	**1,713.37**
Amortisation during the year	-	-	-	**-**	-	-	458.60	-	**458.60**
Dividend Paid	-	-	-	**-**	-	-	-	-	**-**
Corporate Dividend Tax	-	-	-	**-**	-	-	**-**	-	**-**
Balance as at March 31, 2022	**14,229.83**	**11,615.53**	**3,516.84**	**-**	**2,888.27**	**13.82**	**(4,215.61)**	**1,786.46**	**29,835.13**
Changes in accounting policy/prior period errors	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Restated balance as at April 01, 2022	**14,229.83**	**11,615.53**	**3,516.84**	**-**	**2,888.27**	**13.82**	**(4,215.61)**	**1,786.46**	**29,835.13**
Profit for the period	-	-	-	-	-	8,646.28			**8,646.28**
Remeasurment of defined benefit plans (Net of taxes)	-	-	-	-	-	(11.63)			**(11.63)**
Fair Value Changes relating to on credit risk of financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-	-	-	**-**
Recognition through Other Comprehensive Income (net of taxes)	-	-	-	-	-	-		(375.74)	**(375.74)**
Total Comprehensive Income for the year ended March 31, 2023	**-**	**-**	**-**	**-**	**-**	**8,634.65**	**-**	**(375.74)**	**8,258.90**

Transfer to Reserves during the year	4,875.00	1,555.50	462.91	-	1,730.00	(8,623.41)	-		-
Foreign Currency Translation Loss on long term monetary items during the year	-	-	-	-	-	-	(1,788.91)	-	**(1,788.91)**
Amortisation during the year							200.56		**200.56**
Dividend Paid						-			-
Corporate Dividend Tax						-			-
Balance as at March 31, 2023	**19,104.83**	**13,171.03**	**3,979.75**	**-**	**4,618.27**	**25.05**	**(5,803.96)**	**1,410.72**	**36,505.69**
Balance as at 01.04.2022	14,229.83	11,615.53	3,516.84		2,888.27	13.81	(4,215.61)	1,786.46	**29,835.13**
Changes in accounting policy/prior period errors	-	-	-		-	-	-	-	-
Restated balance as at 01.04.2022	14,229.83	11,615.53	3,516.84		2,888.27	13.81	(4,215.61)	1,786.46	**29,835.13**
Profit for the half year	-	-	-		-	4,102.66	-	-	**4,102.66**
Remeasurment of defined benefit plans (Net of taxes)	-	-	-		-	1.76	-	-	**1.76**
Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-	-		-	-	-	-	-
Recognition through OCI (net of taxes)	-	-	-		-	-	-	(1,830.08)	**(1,830.08)**
Total Comprehensive Income for the half year ended 30.09.2022	-	-	-	-	-	4,104.42	-	(1,830.08)	**2,274.34**
Transfer to Reserves during the half year	-	465.04	231.46		-	(696.49)	-	-	-
Foreign Currency Translation Loss on long term monetary items during the half year	-	-	-		-	-	1,372.63	-	**1,372.63**
Amortisation during the half year	-	-	-		-	-	55.03	-	**55.03**
Dividend Paid	-	-	-	-	-	-	-	-	-
Corporate Dividend Tax	-	-	-	-	-	-	-	-	-
Balance as at 30.09.2022	**14,229.83**	**12,080.56**	**3,748.29**	**-**	**2,888.27**	**3,421.74**	**(2,787.95)**	**(43.62)**	**33,537.14**
Balance as at 01.04.2023	19,104.83	13,171.03	3,979.75		4,618.27	25.05	(5,803.96)	1,410.72	36,505.69
Changes in accounting policy/prior period errors	-	-	-		-	-	-	-	-
Restated balance as at 01.04.2023	**19,104.83**	**13,171.03**	**3,979.75**	**-**	**4,618.27**	**25.05**	**(5,803.96)**	**1,410.72**	**36,505.69**
Profit for the half year	-	-	-		-	5,793.15	-	-	5,793.15
Remeasurment of defined benefit plans (Net of taxes)	-	-	-		-	(2.25)	-	-	(2.25)
Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-	-		-	-	-	-	-
Recognition through OCI (net of taxes)	-	-	-		-	-	-	(1,603.37)	(1,603.37)
Total Comprehensive Income for the half year ended 30.09.2023	**-**	**-**	**-**	**-**	**-**	**5,790.90**	**-**	**(1,603.37)**	**4,187.53**
Transfer to Reserves during the half year	-	1,129.30	231.46		-	(1,360.76)	-	-	-
Foreign Currency Translation Loss on long term monetary items during the half year	-	-	-		-	-	2,361.27	-	2,361.27
Amortisation during the half year	-	-	-		-	-	(94.37)	-	(94.37)
Dividend Paid	-	-	-		-	-	-	-	-
Corporate Dividend Tax	-	-	-		-	-	-	-	-
Balance as at 30.09.2023	**19,104.83**	**14,300.33**	**4,211.20**		**4,618.27**	**4,455.20**	**(3,537.06)**	**(192.65)**	**42,960.13**

The above statement should be read with Basis of Preparation, Material Accounting Policies and Notes to Restated Standalone & Consolidated financial statements

Material Accounting Policies — Note No. 1

Notes to Restated Standalone & Consolidated Financial Statements — Note No. 38

As per our Report of even date

For D S P & Associates
Chartered Accountants
ICAI Regn No.- 006791N

For and on Behalf of the Board of Directors

Bijay Kumar Mohanty
Director (Finance)
DIN No. 08816532

Pradip Kumar Das
Chairman & Managing Director
DIN No. 07448576

CA. Atul Jain
Partner
M.No.- 091431

Ekta Madan
Company Secretary & Compliance Officer
ACS. No. 23391

Place : New Delhi
Date : October 25, 2023

Note 1 : Material Accounting Policies Information forming Part of Restated Standalone and Consolidated Financial Information

1) Corporate Information

Indian Renewable Energy Development Agency Limited ("**IREDA**" or "**the Company**") is a Mini Ratna (Category – I) Government of India enterprise under the administrative control of Ministry of New and Renewable Energy (MNRE). IREDA is a Public Limited Government Company having its Registered Office at 1st Floor, Core-4A, East Court, India Habitat Centre, Lodhi Road, New Delhi-110003. The Company is registered with Reserve Bank of India under Section 45-IA of The Reserve Bank of India Act, 1934 as Non-Banking Financing Company (NBFC) and presently classified as 'Systematically Important Non-Deposit taking NBFC'. Since 1987, IREDA is engaged in promoting, developing, and extending financial assistance for setting up projects relating to new and renewable sources of energy and energy efficiency/conservation with the motto: "ENERGY FOR EVER". The Company owns 50 MW Solar projects situated at Kasargod in the state of Kerala.

M.P. Windfarms Limited ("the associate") is a joint sector unlisted public limited Company domiciled and incorporated under the provisions of Companies Act applicable in India. Business of the Company is development, operation & maintenance of windfarm projects. The Company has sold off its investment in the said associate in the financial year 2021-22 [Refer Note No.38 (26)]. The comparative notes for the consolidated financial statements relate to FY 2020-21 as the associate is hived off in FY 2021-22.

2) Basis of Preparation of Restated Financial Information

(i) Statement of Compliance with Ind AS and Other Significant Matters

The Restated Standalone Statement of Assets and Liabilities of the Company as at and for the half year ended September 30, 2023 and as at and for the year ended on March 31, 2023 and as at and for the year ended March 31, 2022 and the Restated Standalone Statements of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity, the Restated Standalone Cash Flow Statement of the Company for the half year ended September 30, 2023 and for the year ended on March 31, 2023 and for the year ended March 31, 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information and the Restated Consolidated Statement of Assets and Liabilities of the group as at and for the years ended March 31, 2021 (**the restated year**), the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement of the group for the restated year, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the **"Restated Standalone and Consolidated Financial Information"** or "**Restated Financial Information"**) have been prepared specifically for inclusion in the Draft Red Herring Prospectus ("**DRHP**")/ Red Herring Prospectus**("RHP")/**Prospectus (collectively referred to as "Offer Documents") to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with the proposed Initial Public Offer (proposed IPO). Generally, in ordinary course, consolidated financial information and standalone financial information are not strictly comparable. In respect of our Restated Ind AS Consolidated Summary Financial Statements for financial year 2020-21, contribution of our associate M. P. Windfarms Limited was negligible. Even during the financial year 2021-22, contribution of our associate to our profits was nil and our investment in it was sold off during financial year 2021-22 itself. As a result, standalone financial statements for financial year 2021-22 and consolidated financial statements for financial year 2020-21 are materially the same. We have, accordingly, included the standalone financial statements for the half year ended September 30, 2023 and for the financial year 2022-23 and for the financial year 2021-22, consolidated financial statements for financial year 2020-21 in DRHP.

The Restated Standalone and Consolidated Financial Information have been prepared in accordance with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act") and
b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018, as amended ("the SEBI ICDR Regulations") in pursuance of the Securities and Exchange Board of India Act, 1992.
c) The Guidance Note on Reports in Company prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("**the ICAI**"), as amended from time to time, ("**the Guidance Note**").

The Restated Standalone and Consolidated Financial Information have been compiled from Audited Standalone Ind AS Financial Statements of the Company as at and for the half year ended September 30, 2023 and as at and for the year ended on March 31, 2023 and as at and for the year ended March 31, 2022 and Audited Consolidated Ind AS Financial Statements of the Company as at and for the years ended March 31, 2021 which were prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended (referred to as "Ind AS"), and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meetings held on October 25, 2023 ; on April 25,2023 ; April 30, 2022 and May 30, 2021 respectively. The Standalone Financial Statements of the company for the year ended March 31, 2023 and for the year ended March 31, 2022, and consolidated Financial Statements for year ended March 31, 2021, have been subjected to supplementary audit u/s 143(6) or (7) of the Act by the office of the Comptroller and Auditor-General of India (C&AG).

The Restated Standalone and Consolidated Financial Information are prepared on a going concern basis and on accrual basis of accounting. The Company has adopted historical cost convention except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Restated Standalone and Consolidated Financial Information:

a) has been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the half year ended September 30, 2023 and financial years ended March 31, 2023, 2022 and 2021 to reflect the same accounting treatment as per the accounting policy and grouping/classifications followed as at and for the half year ended on September 30, 2023.

b) do not require any adjustment for modification as there is no modification in the underlying audit reports.

Auditor's Report/Emphasis of Matter

i. The auditor's reports dated October 23, 2023, on the Financial Statements as at and for the half year ended September 30, 2023, includes the following 'Emphasis of Matter' paragraph (The note number given here pertains to the notes to this restated financial information and not as given in original auditor's report) relevant to the Restated Financial Information:

1. As described in Note 38 (40) to the interim Financial Statements, the company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to Rs. 8867.02 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.

ii. The auditor's reports dated November 11, 2022, on the Financial Statements as at and for the half year ended September 30, 2022, includes the following 'Emphasis of Matter' paragraph (The note number given here pertains to the notes to this restated financial information and not as given in original auditor's report) relevant to the Restated Financial Information:

1. As described in Note 38 (46) to the Financial Statements, the company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to Rs. 11,367.69 Million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.

iii. The auditor's reports dated April 25, 2023, on the Financial Statements as at and for the year ended March 31, 2023, includes the following 'Emphasis of Matter' paragraph (The note number given here pertains to the notes to this restated financial information and not as given in original auditor's report) relevant to the Restated Financial Information:

1. As described in Note 38 (44) to the Financial Statements, the company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 8,931.29. Million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.

2. As described in Note 38 (41) to the Financial Statements, the company has considered possible effects from COVID-19 pandemic on Company's financial performance including the recoverability of carrying amounts of financial and non- financial assets.

iv. The auditor's reports dated April 30, 2022, on the Financial Statements as at and for year ended March 31, 2022, includes the following 'Emphasis of Matter' paragraph (The note number given here pertains to the notes to this restated financial information and not as given in original auditor's report) relevant to the Restated Financial Information:

1. As described in Note 38 (44) to the Financial Statements The company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹. 9,187.92 Million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.

2. As described in Note 38 (41) to the Financial Statements, the extent to which the COVID-19 pandemic including the recent surge in infections will have impact on Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time.

3. As described in Note 38 (26) to the Financial Statements, during the year, the company has liquidated its Investment in Associate Company, M/s M.P. Windfarms Limited. Accordingly, no consolidated Financial Results are required to be presented by the company.

v. The auditor's reports dated May 30, 2021, on the Consolidated Financial Statements as at and for year ended March 31, 2021, includes the following Emphasis of Matter paragraph (The note number given here pertains to the notes to this restated financial information and not as given in original auditor's report) relevant to the Restated Financial Information:

1. As described in Note 38 (41) to the Consolidated Financial Statements, the extent to which the COVID-19 pandemic including the current "second wave" will have impact on the Parent and its associate Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time.

The above emphasis of matters do not require any adjustment to the Restated Standalone and Consolidated Financial Information.

(ii) Use of estimates

The preparation of the Company's Restated Standalone and Consolidated Financial Information requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Management believes that the estimates used in the preparation of Restated Standalone and Consolidated Financial Information are prudent and reasonable. Future result could differ from these estimates. Any revision to accounting estimate is recognized prospectively in current and future period.

(iii) Significant management judgment in applying accounting policies and estimation of uncertainty

(A) Significant management judgments

<u>Recognition of deferred tax assets/ liability</u> – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. Further, the Company's Management has no intention to make withdrawal from the Special Reserve created and maintained under section 36(1)(viii) of the Income tax Act, 1961 and thus, the special reserve created and maintained is not capable of being reversed. Hence, the Company does not create any deferred tax liability on the said reserve.

<u>Evaluation of indicators for impairment of assets</u> – The evaluation of the applicability of indicators of impairment of

assets requires assessment of several external and internal factors which could result in deterioration of the recoverable amount of the assets.

Non recognition of Interest Income on Credit Impaired Loans - Interest income on credit-impaired loan assets is not being recognised as a matter of prudence, pending the outcome of resolutions of stressed assets.

Materiality of Prior Period item

Prior period items which are not material are not corrected retrospectively through restatement of comparative amounts and are accounted for in current year.

Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the Restated Standalone and Consolidated Financial Information. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The combination of size and nature of the items are the determining factor.

(B) Significant estimates

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 & Level 3 hierarchy is used for fair valuation.

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions and in respect of expected future profitability to assess deferred tax asset.

Expected Credit Loss ('ECL') – The measurement of an expected credit loss allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g., likelihood of customers defaulting and resulting losses). The Company makes significant judgments about the following while assessing expected credit loss to estimate ECL:

• Determining criteria for a significant increase in credit risk;

• Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL;

• Establishing groups of similar financial assets to measure ECL; and

• Estimating the probability of default and loss given default (estimates of recoverable amounts in case of default) .

Provisions: The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(iv) Functional and Presentation currency

The Restated Standalone and Consolidated Financial Information are presented in Indian Rupee ('INR') which is the functional currency of the primary economic environment in which the Company operates, values being rounded in millions to the nearest two decimals except when stated otherwise.

3) MATERIAL ACCOUNTING POLICIES INFORMATION

(i) <u>Property, Plant and Equipment (PPE)</u>

<u>Tangible Assets (PPE)</u>
The PPE (Tangible assets) is initially recognized at cost.

The cost of an item of Property, Plant and Equipment comprises of its purchase price, including import duties, non-refundable taxes, after deducting trade discounts & rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the location and condition necessary for it to be ready for its intended use. Stores and spares which meet the recognition criteria of Property, Plant and Equipment are capitalized and added in the carrying amount of the underlying asset.

The Company has adopted the cost model of subsequent recognition to measure the Property, Plant and Equipment. Consequently, all Property, Plant and Equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

<u>De-recognition</u>
An item of PPE is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from de-recognition of a PPE measured as the difference between the net disposal proceeds and the Carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

<u>Capital Work-in-Progress</u>
The cost of PPE under construction at the reporting date is disclosed as ‘Capital work-in-progress.’ The cost comprises purchase price, import duties, non-refundable taxes, after deducting trade discounts & rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the location and condition necessary for it to be ready for its intended use. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under ‘Capital Advances’.

(ii) <u>Intangible Assets and Amortisation</u>

Intangible assets are initially measured at cost. The cost comprises purchase price, import duties, non-refundable taxes, after deducting trade discounts & rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the condition necessary for it to be ready for its intended use. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to the Company.

All intangible assets with finite useful life are subsequently recognized at cost model. These intangible assets are carried subsequently at its cost less accumulated amortization and accumulated impairment loss if any.

<u>Intangible Assets under Development</u>
Expenditure incurred which are eligible for capitalization under intangible assets is carried as ‘Intangible assets under development’ till they are ready for their intended use.

<u>Derecognition</u>
An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the Statement of Profit and Loss when the asset is derecognized.

(iii) <u>Depreciation and Amortization</u>
Depreciation on Tangible PPE is provided in accordance with the manner and useful life as specified in Schedule –II of the Companies Act 2013, on Written Down Basis (WDV) except for the assets mentioned as below:

- Depreciation on Library books is provided @ 100% in the year of purchase.
- Depreciation on PPE of Solar Power Project is provided on Straight Line Method at rates/methodology prescribed under the relevant Central Electricity Regulatory Commission (CERC) and relevant state Commission Tariff Orders.
- Depreciation is provided @100% in the financial year of purchase in respect of assets of Rs. 5,000/- or less.
- Amortization of intangible assets is being provided on straight line basis.
- Useful lives for all PPE & Intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates.

- **Useful life of assets as per Schedule II:**

Asset Description	Estimated Useful Life	Residual Value as a %age of original cost
Building	60 years	5%
Computers and Data Processing Units		
-Laptops / Computers	3 years	5%
-Servers	6 years	5%
Office Equipment's	5 years	5%
Furniture and Fixtures	10 years	5%
Vehicles	8 years	5'
Intangible Assets	5 years	0%

- **Useful life of assets as per CERC order**

Asset Description	Estimated Useful Life	Residual Value as a %age of original cost
Solar Plant	25 years	10%

(iv) Government Grant / Assistance

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received and the Company will be able to comply with the conditions attached to them. These grants are classified as grants relating to assets and revenue based on the nature of the grant.

Government grants with a condition to purchase, construct or otherwise acquire long term assets are initially recognised as deferred income. Once recognised as deferred income, such grants are recognised in the statement of profit and loss on a systematic basis over the useful life of the asset. Changes in estimates are recognized prospectively over the remaining life of the asset.

Grant related to subsidy are deferred and recognised in the statement of profit and loss over the period that the related costs, for which it is intended to compensate, are expensed.

Grant-in-aid for financing projects in specified sectors of New and Renewable Sources of Energy (NRSE) is treated and accounted as deferred income.

The expenditure incurred under Technical Assistance Programme (TAP) is accounted for as recoverable and shown under the head 'Other Financial Assets'. The assistance reimbursed from Multilateral/Bilateral Agencies is credited to the said account.

(v) Leases

- **As a lessee**

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves the use of an identified asset;

(ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease, and

(iii) The Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the estimated useful life of the assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is the SBI MCLR rate for the period of the loan if the loan is up to 3 years. For a period, greater than 3 years, SBI MCLR rate for 3 years may be taken.

iii) Short-term leases and leases of low-value assets

Lease payments on short-term leases (which has a lease term of up to 12 months) and leases of low value assets (asset value up to Rs. 10, 00,000/-) are recognised as expense over the lease term. Lease term is determined by taking non-cancellable period of a lease, together with both:

(a) Periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and

(b) Periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

- **As a lessor**

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of the assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 "Revenue from contract with customers" to allocate the consideration in the contract. The Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of "Revenue from operations".

(vi) Investments in Subsidiary, Associates and Joint Venture

- The Company accounts investment in subsidiary, joint ventures and associates at cost. An entity controlled by the Company is considered as a subsidiary of the Company. Investments in subsidiary Company outside India are translated at the rate of exchange prevailing on the date of acquisition.
- Investments where the Company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control

over those policies.

- A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

- Impairment Loss on Investment in Associate or joint Venture

  If there is an indication of impairment in respect of entity's investment in associate or joint venture, the carrying value of the investment is tested for impairment by comparing the recoverable amount with it's carrying value and any resulting impairment loss is charged against the carrying value of investment in associate or joint venture.

(vii) Impairment of Non-Financial Asset

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(viii) Cash and cash equivalents

Cash comprises of cash in hand, cash at bank including debit balance in bank overdraft, if any, demand deposits with banks, commercial papers and foreign currency deposits. Cash equivalents are short term deposits (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(ix) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized up-to the date when the asset is ready for its intended use after netting off any income earned on temporary investment of such funds.

To the extent that the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Other borrowing costs are expensed in the period in which they are incurred.

(x) Foreign currency transactions

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the Statement of Profit and Loss.

Foreign Currency Monetary Item Translation Reserve Account (FCMITR) represents unamortized foreign exchange gain/loss on Long-term Foreign Currency Borrowings that are amortized over the tenure of the respective . IREDA has adopted exemption of para D13AA of Ind AS 101, according to which it may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, all transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. The exchange differences arising on reporting of long-term foreign currency monetary items outstanding as on March 31, 2018, at rate prevailing at the end of each reporting period, different from those at which they were initially recorded during the period, or reported in previous financial statements, are accumulated in FCMITR Account, and amortized over the balance period of such long-term monetary item, by recognition as income or expense in each of such period. Long-term foreign currency monetary items are those which have a term of twelve months or more at the date of origination.

Long-term foreign currency monetary items are those which have a term of twelve months or more at the date of origination.

Short-term foreign currency monetary items (having a term of less than twelve months at the date of origination) are translated at rate prevailing at the end of each reporting period. The resultant exchange fluctuation is recognized as income or expense in each of such periods.

As per Para 27 of Ind AS 21, exchange difference on monetary items that qualify as hedging instruments in cash flow hedge are recognized in other comprehensive income to the extent hedge is effective. Accordingly, company recognizes the exchange difference due to translation of foreign currency loans at the exchange rate prevailing on reporting date in cash flow hedge reserve.

(xi) Earnings per Share

The basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during the year. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(xii) Provisions

A provision is recognized when the Company has a present obligation (Legal or Constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

(xiii) Contingent liabilities

Contingent liabilities are not recognized but disclosed in Notes when the Company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the Company and Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are assessed continuously to determine whether outflow of Economic resources have become probable. If the outflow becomes, then relative provision is recognized in the financial statements.

(xiv) Contingent Assets

Contingent Assets are not recognized but disclosed in Notes which usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits.

Contingent assets are assessed continuously to determine whether inflow of economic benefits becomes virtually certain, then such assets and the relative income will be recognised in the financial statements.

(xv) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman and Managing Director (CMD) of the Company have been identified as the Chief Operating Decision Maker (CODM).

(xvi) Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the accounting policy prospectively from the earliest date practicable.

(xvii) Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss /other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax is also recognized in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used for taxation purpose.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

(xviii) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including import duties, non-refundable taxes, after deducting trade discounts & rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the location and condition necessary for it to be ready for its intended use.

After initial recognition, the Company measures investment property by using cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in the period in which the property is derecognized.

Investment properties are depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

Though investment property is measured using cost model, the fair value of investment property is disclosed in the notes.

(xix) Employee Benefits

a) Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

b) Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

(i) Defined contribution plan

A defined contribution plan is a plan under which the Company pays fixed contributions in respect of the employees into a separate fund. The Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by the Company towards defined contribution plans are charged to the statement of profit and loss in the period to which the contributions relate.

(ii) Defined benefit plan

The Company has an obligation towards gratuity, Post-Retirement Medical Benefit (PRMB) and Other Defined Retirement Benefit (ODRB) which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside.

The Company's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries.

Actuarial gains/losses resulting from re-measurements of the liability/asset are included in Other Comprehensive Income.

The liability for retirement benefits of employees in respect of provident fund, benevolent fund, superannuation fund and Gratuity is funded with separate trusts.

The Company's contribution to Provident Fund / Superannuation Fund is remitted to separate trusts established for this purpose based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.

c) Other long-term employee benefits:

Liability in respect of compensated absences becoming due or expected to be availed more than one-year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

(xx) <u>Financial instruments</u>

<u>Initial recognition and measurement</u>

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss. Subsequent measurement of financial assets and financial liabilities is described below.

<u>Classification and subsequent measurement of financial assets</u>

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- Amortized cost
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL or equity instruments at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

- Loan at Amortised Cost

  Loans (financial asset) are measured at amortized cost using Effective Interest Rate (EIR) if both of the following conditions are met:

  a) The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and

  b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognized on financial assets carried at amortized cost.

- Financial assets at Fair Value through Profit or Loss (FVTPL)

  Financial assets at FVTPL include all derivative financial instruments except for those designated and effective as hedging instruments, for which the hedge accounting requirements are being applied. Assets in this category are measured at fair value with gains or losses recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

- Financial assets at Fair Value through Other Comprehensive Income (FVOCI)

  Financial assets at FVOCI comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in other comprehensive income and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment. However, the Company may transfer the same within equity.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for de-recognition.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for derivative financial liabilities which are carried at FVTPL, subsequently at fair value with gains or losses recognized in the statement of profit and loss. (FVTPL)

De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives.

The Company use Derivative instrument includes principal swap, Cross Currency & Interest Rate Swap (CCIRS), forwards, interest rate swaps, currency and cross currency options, structured product, etc. to hedge foreign currency assets and liabilities.

Derivatives are recognized and measured at fair value (MTM). Attributable transaction costs are recognized in statement of profit and loss as cost.

De-recognition of Financial asset:

Financial assets are derecognized when the contractual right to receive cash flows from the financial assets expires, or transfers the contractual rights to receive the cash flows from the asset.

Hedge Accounting

Derivative financial instruments are accounted for at fair value through profit and loss (FVTPL) except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument

- the effect of credit risk does not dominate the value changes that result from that economic relationship

- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

The Company has designated mostly derivative contracts as hedging instruments in cash flow hedge relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising against which debt instruments denominated in foreign currency.

- Cash Flow hedging is done to protect cash flow positions of the Company from changes in exchange rate fluctuations and to bring variability in cash flow to fixed ones.

- The Company enters into hedging instruments in accordance with policies as approved by the Board of Directors; provide written principles which are consistent with the risk management strategy/policies of the Company.

- All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the balance sheet.

- The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments is assessed and measured at inception and on an on-going basis. The effective portion of change in the fair value as assessed based on MTM valuation provided by respective banks/third party valuation of the designated hedging instrument is recognized in the “Other Comprehensive Income” as “Cash Flow Hedge Reserve”. The ineffective portion is recognized immediately in the Statement of Profit and Loss as and when occurs.

- At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

- If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in Cash Flow Hedge Reserve remains in Cash Flow Hedge Reserve till the period the hedge was effective. The cumulative gain or loss previously recognized in the Cash Flow Hedge Reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

Impairment

Impairment of financial assets

❑ Loan assets

The Company follows a ‘three-stage’ model for impairment of loan asset carried at amortized cost based on changes in credit quality since initial recognition as summarized below:

• Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date.

• Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

• Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type, and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amount of outstanding exposure as on the assessment date on which ECL is computed.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an on-going basis.

❑ Financial Instruments other than Loans consist of:

- Financial assets include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances.
- Financial liabilities include borrowings, bank overdrafts, trade payables.

Non derivative financial instruments other than loans are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, they are measured as prescribed below:

a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at bank, demand deposits with banks, cash credit, fixed deposits and foreign currency deposits, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings.

b) Trade Receivable

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company determines impairment loss allowance based on individual assessment of receivables, historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

c) Other payables

Other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

(xxi) Dividend

Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the Board of Directors and in the shareholders' meeting respectively.

(xxii) Fair Value Measurement & Disclosure

The Company measures financial instruments, such as derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

• Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

• Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements regularly, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(xxiii) Revenue Recognition

❑ Interest income

Interest income is accounted on all financial assets (except Company is not recognizing interest income on credit impaired financial assets) measured at amortized cost. Interest income is recognized using the Effective Interest Rate (EIR) method in line with Ind AS 109, Financial Instruments. The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition. The EIR is calculated by taking into account transactions costs and fees that are an integral part of the EIR in line with Ind AS 109. Interest income on credit impaired assets is recognized on receipt basis.

Rebate on account of timely payment of interest by borrowers is recognized on receipt of the entire interest amount due in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

Unless otherwise specified, the recoveries from the borrowers are appropriated in the order of (i) incidental charges (ii) penal interest (iii) overdue interest and (iv) repayment of principal; the oldest being adjusted first. The recovery under One Time Settlement (OTS)/ Insolvency and Bankruptcy Code (IBC) proceedings is appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

- Other Revenue

- Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) are recognised as per Ind AS 115 - Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers. The Company recognizes revenue from contracts with customers based on the principle laid down in Ind AS 115 - Revenue from contracts with customers.

- Revenue from contract with customers is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Revenue is measured at the transaction price agreed under the Contract. Transaction Price excludes amounts collected on behalf of third parties (e.g., taxes collected on behalf of government) and includes/adjusted for variable consideration like rebates, discounts, only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

- Revenue from solar plant
  Income from solar plant is recognised when the performance obligation are satisfied over time. Rebate given is disclosed as a deduction from the amount of gross revenue.

- Revenue from Fee and Commission

- Revenue from fees and commission
  Fees and commission are recognised on a point in time basis when probability of collecting such fees is established.

- Revenue from Implementation of Government Schemes & Projects
  The company besides its own activities also acts as implementing agency on behalf of various Government / Non-Government Organizations on the basis of Memorandum of Understanding (MoU) entered into between the company and such organization. The details of such activities are disclosed by the way of Notes to the Financial Statements.

  Wherever any funds are received under trust on the basis of such MoUs entered, the same is not included in Cash and Cash Equivalents and any income including interest income generated out of such funds belonging to such organizations is not accounted as revenue of the company.

  Service charges earned from such schemes implemented by the company are recognised at a point in time basis when certainty of collecting such service charges is established.

(xxiv) Expense

Expenses are accounted for on accrual basis. Prepaid expenses upto Rs. 5,00,000/- per item are charged to Statement of Profit & Loss as and when incurred/adjusted/received.

Note 2 : Cash and Cash Equivalents

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
I. Cash and cash equivalents					
(A) Cash in hand	-	-	-	-	-
(B) Balances with Banks :-					
(a) Current Account with banks					
- In Indian Branches	1,126.59	1,478.25	408.41	778.56	2,189.13
- In Foreign Branches	-	-	-	-	-
(i) In USD	644.72	0.27	0.27	0.25	1.00
(ii) In Euro			-	-	-
(b) Deposit Account					
Short term Deposits in Indian Branches	19.62	21,542.42	-	440.12	-
Short term Deposits in Foreign Branches	1,435.80	-			
(c) Savings Bank Account					
- In Indian Branches	67.70	60.95	15.75	90.95	20.02
(C) Cheques Under Collection/DD In hand and Postage imprest	-	0.02	-	0.03	0.03
(D) In Overdraft Accounts	307.96	381.25	960.88	1.84	-
Total (A+B+C+D)	**3,602.39**	**23,463.16**	**1,385.31**	**1,311.75**	**2,210.18**

There are no repatriation restrictions with respect to Cash and Cash equivalents as at the end of the reporting years presented above.
Also refer Note 38 (62M) for disclosure regarding High Quality Liquid Assets (HQLA).

Note 3 : Bank balances other than included in Cash and Cash Equivalents

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
a. Earmarked Balances with Banks					
A) In Current Account					
- Ministry of New & Renewable Energy (MNRE)	0.22	0.22	0.22	0.22	0.22
- MNRE GOI Fully Serviced Bond Refer note 38(33)	35.25	35.25	35.25	35.25	35.31
- IREDA (Interest on Bonds & Dividend)	11.20	211.68	8.05	6.71	13.48
- MNRE / UNDP -IREDA Scheme Funds (Refer Note 38(32 & 33))	4,893.68	4,234.39	1,952.32	-	-
Sub total (A)	**4,940.35**	**4,481.54**	**1,995.84**	**42.18**	**49.01**
B) In Saving Account					
- MNRE / UNDP -IREDA Scheme Funds (Refer Note 38(32 & 33))	9.69	948.69	7.12	899.43	159.80
- MNRE / UNDP -IREDA Scheme Funds (Refer Note 38(32 & 33))	1,392.03	14.23	1,339.98	135.47	847.29
-IREDA CSR Unspent Account (Refer Note 38(28))	20.72	-	-	-	-
Sub total (B)	**1,422.44**	**962.92**	**1,347.10**	**1,034.90**	**1,007.09**
C) In Deposit Account (INR)					
- IREDA[1]	4.38	4.15	4.26	4.05	3.85
- MNRE	1.73	1.73	1.73	1.73	1.73
- MNRE GOI Fully Serviced Bond Refer note 38(33)	100.03	90.16	92.87	88.58	86.14
- IREDA National Clean Energy Fund (NCEF)	3,830.67	2,624.88	3,615.33	2,516.90	2,259.72
- MNRE / UNDP -IREDA Scheme Funds (Refer Note 38(32 & 33))	542.98	225.15	592.20	199.28	241.31
- Default Risk Reduction for Access to Energy Projects (KFW VI)[3]	92.42	90.26	92.42	67.57	-
Sub total (C)	**4,572.21**	**3,036.33**	**4,398.80**	**2,878.11**	**2,592.75**
D) In Deposit Account (Forex)					
- Dollar Deposit (ADB)[2]	-	-	-	-	174.07
Sub total (D)	**-**	**-**	**-**	**-**	**174.07**
Sub total (a)=(A+B+C+D)	**10,935.00**	**8,480.79**	**7,741.74**	**3,955.19**	**3,822.92**
b. Deposit Account (Original maturity more than 3 months)					
- INR Term Deposit	91.85	11,968.98	420.66	-	-
Sub total (b)	**91.85**	**11,968.98**	**420.66**	**-**	**-**
Total	**11,026.85**	**20,449.76**	**8,162.39**	**3,955.19**	**3,822.92**

The Company is the implementing agency for certain schemes of the Government Of India .The funds received for disbursement to various agencies under the scheme are kept in a separate bank account. The undisbursed funds for the scheme (including interest thereon, if any) are presented as designated funds of the Scheme. (Refer Note 38(32&33)).

[1] An amount of ₹ 4.38 Millions as at half year ended September 30, 2023 and ₹ 4.15 Millions as at half year ended September 30 2022 (₹ 4.26 Millions as at March 31 2023, ₹ 4.05 Millions as at March 31 2022, ₹ 3.85 Millions as at March 31 2021) kept as FDR including interest with Bank of Baroda, Bhikaji Kama Place, New Delhi against two Bond holders payments i.e. M/s The Bengal Club Ltd and Ms. Maya M. Chulani as per the order dated 31.7.2009 passed in Civil Misc Writ petition No. 28928 of 2009 passed by the Hon'ble Allahabad High Court.

[2] The Company has taken Loan from Bank of Baroda (which is disclosed under Note 20) against the US Dollar Deposits.

[3] Provided by KFW to cover up to 70% default risks of the overall 'Access to Energy' portfolio of the Comapny under KFW VI line of credit by establishment of a Portfolio Risk Reserve Account (PRRA). The said amount shall be utilised to recover up to 70% of outstanding debt service obligation of the borrower, after exhausting DSRA, upon being declared NPA.

Note 4 : Derivative financial Instruments

The Company enters into derivative contracts for hedging foreign exchange & Interest Rate risk. Derivative transactions include forwards, interest rate swaps, cross currency swaps etc. to hedge the liabilities. These derivative transactions are done for hedging purpose and not for trading or speculative purpose.

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)			As at Sept 30, 2022 (Standalone)			As at March 31, 2023 (Standalone)			As at March 31, 2022 (Standalone)			As at March 31, 2021 (Consolidated)		
Part I	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
(i) Currency derivatives:-															
Principal only swap (POS)	68,870.26	3,848.58	1,649.25	81,320.84	3,903.23	4,415.86	82,545.29	5,054.76	1,514.68	82,487.24	3,663.38	1,825.75	76,878.73	3,911.76	913.80
Foreign exchange forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (i)	**68,870.26**	**3,848.58**	**1,649.25**	**81,320.84**	**3,903.23**	**4,415.86**	**82,545.29**	**5,054.76**	**1,514.68**	**82,487.24**	**3,663.38**	**1,825.75**	**76,878.73**	**3,911.76**	**913.80**
(ii) Interest rate Derivatives :-										-	-	-			
Cross currency interest rate swap (including principle swaps) (CCIRS)	4,616.41	667.87	84.54	4,940.68	633.84	95.20	4,901.65	685.76	-	4,985.43	319.92	-	5,307.56	119.14	4.52
Sub-total (ii)	**4,616.41**	**667.87**	**84.54**	**4,940.68**	**633.84**	**95.20**	**4,901.65**	**685.76**	**-**	**4,985.43**	**319.92**	**-**	**5,307.56**	**119.14**	**4.52**
Total Derivative financial Instruments (i+ii)	**73,486.67**	**4,516.44**	**1,733.79**	**86,261.52**	**4,537.07**	**4,511.06**	**87,446.93**	**5,740.52**	**1,514.68**	**87,472.67**	**3,983.30**	**1,825.75**	**82,186.29**	**4,030.90**	**918.32**

Part II	As at Sept 30, 2023 (Standalone)			As at Sept 30, 2022 (Standalone)			As at March 31, 2023 (Standalone)			As at March 31, 2022 (Standalone)			As at March 31, 2021 (Consolidated)		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows:-															
(i) Cash flow hedging:-															
Currency Derivatives (POS)	64,745.48	3,559.34	1,498.06	78,570.38	3,675.57	4,415.86	78,306.82	4,773.24	1,484.41	79,930.55	3,536.40	1,825.75	74,173.13	3,770.05	913.80
Interest rate Derivatives (including principle swaps) (CCIRS)	4,616.41	667.87	84.54	4,940.68	633.84	95.20	4,901.65	685.76	-	4,985.43	319.92	-	5,307.56	119.14	4.52
Subtotal (i)	**69,361.89**	**4,227.21**	**1,582.60**	**83,511.06**	**4,309.42**	**4,511.06**	**83,208.47**	**5,458.98**	**1,484.41**	**84,915.98**	**3,856.32**	**1,825.75**	**79,480.69**	**3,889.19**	**918.32**
(ii)Undesignated Derivatives:-															
Currency Derivatives (POS)	4,124.78	289.24	151.19	2,750.46	227.66	-	4,238.46	281.53	30.27	2,556.70	126.98	-	2,705.60	141.71	-
Interest rate Derivatives (including principle swaps) (CCIRS)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total (ii)	**4,124.78**	**289.24**	**151.19**	**2,750.46**	**227.66**	**-**	**4,238.46**	**281.53**	**30.27**	**2,556.70**	**126.98**	**-**	**2,705.60**	**141.71**	**-**
Total Derivative financial Instruments (i+ii)	**73,486.67**	**4,516.44**	**1,733.79**	**86,261.52**	**4,537.08**	**4,511.06**	**87,446.93**	**5,740.52**	**1,514.68**	**87,472.67**	**3,983.30**	**1,825.75**	**82,186.29**	**4,030.90**	**918.32**

For Disclosures on Risk Exposure refer Note 38(38)

Note 5 : Receivables
Trade Receivables

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
(A) Trade Receivables					
(a) Receivables considered good - Secured				-	-
(b) Receivables considered good - Unsecured	39.75	30.50	49.14	45.27	29.70
(c) Receivables which have significant increase in credit risk			-	-	-
(d) Receivables credit impaired				-	-
Sub Total (A)	39.75	30.50	49.14	45.27	29.70
(B) Allowance for Impairment loss	-	-		-	-
Total (A-B)	**39.75**	**30.50**	**49.14**	**45.27**	**29.70**

Trade receivables ageing schedule
As at Sept 30, 2023 (Standalone)

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	23.73	-	16.02	-	-	0.00	-	39.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**23.73**	**-**	**16.02**	**-**	**-**	**0.00**	**-**	**39.75**

Disclsoure is from the date of the transaction .

Refer Note 38(24) for details on unbilled dues .

Trade receivables ageing schedule

As at September 30, 2022 (Standalone)

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	30.491	-	-	-	0.004	-	-	30.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**30.491**	**-**	**-**	**-**	**0.004**	**-**	**-**	**30.50**

Disclsoure is from the date of the transaction .

Refer Note 38(24) for details on unbilled dues .

Trade receivables ageing schedule

As at March 31, 2023 (Standalone)

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	33.12	-	16.02	-	-	0.00	-	49.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**33.12**	**-**	**16.02**	**-**	**-**	**0.00**	**-**	**49.14**

Disclsoure is from the date of the transaction .

Refer Note 38(24) for details on unbilled dues .

As at March 31, 2022 (Standalone)

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	27.27	-	18.00	-	0.00	-	-	45.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**27.27**	**-**	**18.00**	**-**	**0.00**	**-**	**-**	**45.27**

Disclsoure is from the date of the transaction .

Refer Note 38(24) for details on unbilled dues .

As at March 31, 2021 (Consolidated)

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					
			Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	29.70	-	0.00	-	-	-	-	29.70
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**29.70**	**-**	**0.00**	**-**	**-**	**-**	**-**	**29.70**

Disclsoure is from the date of the transaction .

Refer Note 38(24) for details on unbilled dues .

Note 6 : Loans

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost
A) Loans					
(i) Term Loans					
Term Loans	4,75,144.83	3,37,833.59	4,70,755.21	3,39,306.06	2,78,539.21
Interest Accrued and due on Loans	256.11	452.00	223.53	515.96	362.03
Liquidated Damages Accrued and due	2.96	3.37	2.69	12.54	3.58
Interest Accrued but not due on Loans	247.87	143.02	201.43	117.01	106.70
Front end fee adjustment	(1,588.92)	(1,085.03)	(1,660.96)	(1,014.15)	(746.29)
Gross Term Loans at amortised cost	**4,74,062.86**	**3,37,346.95**	**4,69,521.89**	**3,38,937.43**	**2,78,265.23**
(ii) Others					
Loans to constituents of MNRE	66.47	66.47	66.47	66.47	25.48
Interest Accrued and due on MNRE Loans	25.48	25.48	25.48	25.48	66.47
Loans to staff	200.50	151.61	174.99	82.63	26.14
Loans to related parties	-	0.77	-	1.20	0.32
Interest Accrued but not due on staff Loans	32.95	20.53	25.59	17.50	19.08
Interest Accrued but not due on staff Loans of Related Party	1.66	2.36	2.08	2.80	0.87
Total (A) - Gross Loans	**4,74,389.92**	**3,37,614.18**	**4,69,816.50**	**3,39,133.51**	**2,78,403.59**
Less: Impairment loss allowance	7,261.08	8,196.67	7,547.26	7,389.03	9,347.16
Total (A) - Net Loans	**4,67,128.84**	**3,29,417.51**	**4,62,269.24**	**3,31,744.48**	**2,69,056.43**
(B) Sub-classification of above :					
Security-wise classification					
(i) Secured by tangible assets					
Term Loans	4,13,357.98	2,68,173.23	3,94,101.20	2,49,902.65	2,43,736.94
Loans to staff	200.50	151.61	174.99	82.63	26.14
Loans to related parties	-	0.77	-	1.20	0.32
Interest Accrued and due on Loans	256.11	452.00	223.53	515.96	362.03
Liquidated Damages Accrued and due	2.96	3.37	2.69	12.54	3.58
Interest Accrued but not due on Loans	280.82	163.55	227.01	134.51	125.78
Interest Accrued but not due on Loans of Related Party	1.66	2.36	2.08	2.80	0.87
Loans to constituents of MNRE					
Loans to constituents of MNRE	66.47	66.47	66.47	66.47	25.48
Interest Accrued and due on MNRE Loans	25.48	25.48	25.48	25.48	66.47
(ii) Secured by intangible assets	-	-	-	-	-
(iii) Covered by Bank/Government Gurantees	-	-	-	-	-
Term Loans Secured by bank Guarantee/Government Gurantees	28,876.79	35,030.81	35,448.16	43,642.08	1,451.70
(iv) Unsecured*	-	-	-	-	-
Term Loans	31,321.15	33,544.52	39,544.88	44,747.18	32,604.28
Total (B) - Gross	**4,74,389.92**	**3,37,614.18**	**4,69,816.50**	**3,39,133.51**	**2,78,403.59**
Less: Impairment Loss Allowance	7,261.08	8,196.67	7,547.26	7,389.03	9,347.16
Total (B) - Net	**4,67,128.84**	**3,29,417.50**	**4,62,269.23**	**3,31,744.48**	**2,69,056.43**
(C) (I) Loans in India					
(i) Public Sector	1,09,348.50	94,694.32	1,26,399.53	1,14,765.85	69,244.57
(ii) Others	3,65,041.42	2,42,919.85	3,43,416.97	2,24,367.66	2,09,159.02
Total (C) (I) - Gross	**4,74,389.92**	**3,37,614.18**	**4,69,816.50**	**3,39,133.51**	**2,78,403.59**
Less: Impairment Loss Allowance	7,261.08	8,196.67	7,547.26	7,389.03	9,347.16
Total (C) (I) - Net	**4,67,128.84**	**3,29,417.50**	**4,62,269.23**	**3,31,744.48**	**2,69,056.43**
(C) (II)Loans outside India	-	-	-	-	-
Less: Impairment Loss Allowance	-	-	-	-	-
Total (C) (II) - (Net)	-	-	-	-	-
Total C (I) and C(II)	**4,67,128.84**	**3,29,417.50**	**4,62,269.23**	**3,31,744.48**	**2,69,056.43**

*Out of the total unsecured loans of ₹ 31,321.15 Millions as on 30.09.2023 and as on 30.09.2022 : ₹ 33,544.52 Millions (Previous Year ended March 31, 2023: ₹ 39,544.88 Millions; March 31, 2022: ₹ 44,747.18 Millions; March 31, 2021: ₹ 32,604.28 Millions), Loans Amounting to ₹ 31,302.40 Millions as on 30.09.2023 and as on 30.09.2022 : ₹ 33,517.30 Millions (Previous Year ended March 31, 2023: ₹39,522.20 Millions;March 31, 2022: ₹ 44,715.48 Millions; March 31, 2021: ₹ 32,500 Millions) are secured by intangible security by way of exclusive charge on Default Escrow Account by earmarking unencumbered specific revenue stream for repayment of IREDA loans.

During the financial years, the Company had sent letters to borrowers, except where loans have been recalled or pending before court/NCLT, seeking confirmation of balances as at March 31, 2023 to the borrowers. Confirmations for the half year ended September 30, 2023 is N.A and for the half year ended September 30, 2022 is N.A (Previous year ended March 31, 2023 4.68%, Previous year ended March 31, 2022 9.75%,Previous year ended March 31, 2021 9.62%) of the said balances had been received. Out of the remaining loan assets amounting to ₹ 448,722.93 Millions (previous year ended March 31, 2022 ₹ 306,231.97 Millions, March 31, 2021: ₹ 251,750.78 Millions) for which balance confirmations had not been received, 82.63% loans (previous year ended March 31, 2022 : 68.80%; March 31, 2021 : 78.05%) are secured by tangible securities, 12.69% (previous year ended March 31,2022 : 31.20%; March 31,2021 : 21.93%) by way of Government Guarantee/ Loans to Government and balance are unsecured loans.

For Disclosures on Credit Risk, refer Note 38 (38).

Note 7 : Investment

(₹ in Millions)

Investments	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
(A) Investments					
At Amortised Cost					
Investment in GOI Securities (Quoted)	993.20	992.85	993.03	992.68	-
(6.67% GOI 2035 F.V. : ₹ 1,000.00 Millions)					
Total - Gross (A)	**993.20**	**992.85**	**993.03**	**992.68**	**-**
(B) Sub-classification of above:					
(i) Investment outside India	-	-	-	-	-
(ii) Investment in India	993.20	992.85	993.03	992.68	-
Total (B)	**993.20**	**992.85**	**993.03**	**992.68**	**-**
Less: Allowance for Impairment loss (C)	-		-	-	-
Total - Net (D)=(A)-(C)	**993.20**	**992.85**	**993.03**	**992.68**	**-**

*(Refer Note No. 38(21) and 38(26))

Note 8 : Other Financial Assets

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost
Security Deposits	6.57	6.30	6.32	6.13	8.08
Advances to staff	70.38	63.44	64.05	49.99	3.18
Advances to related parties	2.60	2.32	1.88	2.50	-
Other receivables :					
FDRs - Borrowers	206.59	200.93	201.66	197.87	192.26
Commercial papers	689.91	689.91	689.91	689.91	689.91
Less: Impairment loss allowance on Commercial papers	(689.91)	(689.91)	(689.91)	(689.91)	(689.91)
GEF -MNRE -United Nations Industrial Development Organisation (UNIDO) Project (Refer Note 38(32))	-	-	-	30.11	-
Others	25.17	34.28	44.15	31.61	24.43
TOTAL	**311.31**	**307.27**	**318.06**	**318.20**	**227.95**

Note 9 :Current tax Assets (Net)

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
Prepaid Income Taxes (a)	21,166.13	18,748.40	19,465.68	16,919.53	13,853.54
Less : Provision for Income Tax (b)	19,517.63	16,721.08	18,026.44	15,621.08	12,768.94
Total (a-b)	**1,648.50**	**2,027.32**	**1,439.24**	**1,298.45**	**1,084.60**

Note 10 : Deferred Tax Assets/ Liability (Net)

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
Profit and Loss Section & OCI					
Deferred Tax Assets					
Provision for Indirect Tax and other on Guarantee Commission	220.52	197.86	209.19	186.54	-
Provision for Service Tax and Other	30.49	28.65	29.57	27.72	-
Provision for Leave Encashment	20.31	15.51	17.54	16.73	13.23
Provision for Gratuity	-	-	-	-	0.00
Provision for Post Retirement Medical Benefit	-	30.31	34.84	29.03	25.02
Provision for Sick Leave	12.43	10.02	10.43	10.96	9.55
Provision for Baggage Allowance	0.54	0.51	0.54	0.53	0.44
Provision for Farewell Gift	0.23	0.25	0.28	0.27	-
Provision for Performance Incentive	-	18.44	30.54	20.20	23.09
Provision for Impairment	3,570.07	3,742.18	3,936.30	3,888.87	3,580.36
Front End Fee - deferred in Books	501.56	329.35	489.46	295.39	32.87
Sub total	**4,356.15**	**4,373.07**	**4,758.70**	**4,476.24**	**3,684.56**
Deferred Tax Liabilities					
Depreciation	454.84	476.49	457.50	490.75	519.71
Forex loss translation difference	1,253.75	1,015.10	1,285.03	758.91	1,045.73
Transaction cost of bonds	7.51	4.96	6.14	5.99	9.20
Transaction cost of Loans	0.01	0.04	0.02	-	-
Sub total	**1,716.11**	**1,496.58**	**1,748.68**	**1,255.65**	**1,574.64**
Total	**2,640.04**	**2,876.49**	**3,010.02**	**3,220.59**	**2,109.92**
Net deferred tax asset/(liability)	**2,640.04**	**2,876.49**	**3,010.02**	**3,220.59**	**2,109.92**
Net deferred tax asset/(liability)	**2,640.04**	**2,876.49**	**3,010.02**	**3,220.59**	**2,109.92**

For movement of Deferred Taxes , refer Note 38(30)

Note 11 : Investment Property

Particulars	(₹ in Millions) Amount*
Gross Block	
Balance as at March 31, 2020	**0.87**
Additions	-
Less: Disposals/Sale/Transfer	-
Balance as at March 31, 2021	**0.87**
Balance as at April 01, 2021	**0.87**
Additions	-
Less: Disposals/Sale/Transfer	-
Balance as at March 31, 2022	**0.87**
Balance as at April 01, 2022	**0.87**
Additions	
Less: Disposals/Sale/Transfer	
Balance as at March 31, 2023	**0.87**
Balance as at 01.04.2022	**0.87**
Additions	**-**
Less: Disposals/Sale/Transfer	**-**
Balance as at 30.09.2022	**0.87**
Balance as at 01.04.2023	0.87
Additions	-
Less: Disposals/Sale/Transfer	-
Balance as at 30.09.2023	**0.87**

Accumulated Depreciation	
Balance as at March 31, 2020	**0.37**
Depreciation expense	0.08
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at March 31, 2021	**0.45**
Balance as at April 01, 2021	**0.45**
Depreciation expense	0.07
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at March 31, 2022	**0.52**
Balance as at April 01, 2022	**0.52**
Depreciation expense	0.06
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at March 31, 2023	**0.58**
Balance as at 01.04.2022	**0.52**
Depreciation expense	**0.03**
Less: Eliminated on disposals/Sale/Transfer	**-**
Balance as at 30.09.2022	**0.55**
Balance as at 01.04.2023	0.58
Depreciation expense	0.02
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at 30.09.2023	**0.60**

Carrying Amount	**(₹ in Millions)**
As at March 31, 2021	**0.43**
As at March 31, 2022	**0.36**
As at March 31, 2023	**0.30**
As at September 30, 2022	**0.33**
As at September 30, 2023	**0.27**

Fair Value of Investment Property	**(₹ in Millions)**
As at March 31, 2020	21.10
As at March 31, 2021	23.00
As at March 31, 2022	25.82
As at September 30, 2022	24.20
As at September 30, 2023	27.52

Note 12 : Property, Plant and Equipment

(₹ in Millions)

Particulars	Building		Plant and Machinery		Vehicles	Furniture and Fixtures	Office Equipment	Library	Total
	Office Space at Chennai	Solar plant	Solar plant	Computer					
Gross Block									
Balance as at April 01, 2020	**12.99**	**223.95**	**2,939.13**	**49.27**	**5.59**	**9.20**	**3.29**	**-**	**3,243.42**
Additions during the year	-	-	-	15.30	-	0.56	3.55	0.00	**19.41**
Adjustment / Reclassification	-	-	-	-	-	-	-	-	**-**
Amount of change due to revaluation	-	-	-	-	-	-	-	-	**-**
Less: Disposals/Sale/Transfer during the year	-	-	-	7.34	-	0.47	0.25	-	**8.06**
Balance as at March 31, 2021	**12.99**	**223.95**	**2,939.13**	**57.23**	**5.59**	**9.29**	**6.59**	**0.00**	**3,254.76**
Balance as at April 01, 2021	**12.99**	**223.95**	**2,939.13**	**57.23**	**5.59**	**9.29**	**6.59**	**0.00**	**3,254.76**
Additions during the year	-	-	-	23.93	-	6.80	19.43	0.01	**50.18**
Adjustment / Reclassification	-	-	-	-	-	-	-	-	**-**
Amount of change due to revaluation	-	-	-	-	-	-	-	-	
Less: Disposals/Sale/Transfer during the period	-	-	-	11.89	-	0.35	0.14	-	**12.38**
Balance as at March 31, 2022	**12.99**	**223.95**	**2,939.13**	**69.27**	**5.59**	**15.74**	**25.88**	**0.01**	**3,292.55**
Balance as at April 01, 2022	**12.99**	**223.95**	**2,939.13**	**69.27**	**5.59**	**15.74**	**25.88**	**0.01**	**3,292.55**
Additions during the year	-	-	-	5.89	7.40	7.87	25.11	0.00	**46.27**
Adjustment / Reclassification	-	-	-	-	-	-	-	-	**-**
Amount of change due to revaluation	-	-	-	-	-	-	-	-	
Less: Disposals/Sale/Transfer during the period	-	-	-	1.68	4.18	1.49	2.27	-	**9.61**
Balance as at March 31, 2023	**12.99**	**223.95**	**2,939.13**	**73.48**	**8.81**	**22.12**	**48.71**	**0.02**	**3,329.22**
Balance as on 01.04.2022	**12.99**	**223.95**	**2,939.13**	**69.27**	**5.59**	**15.75**	**25.88**	**0.01**	**3,292.57**
Additions during the period	**-**	**-**	**-**	**2.33**	**-**	**1.03**	**3.56**	**0.00**	**6.92**
Adjustment / Reclassification	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Amount of change due to revaluation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Less: Disposals/Sale/Transfer during the quarter	**-**	**-**	**-**	**0.78**	**-**	**0.37**	**1.45**	**-**	**2.60**
Balance as on 30.09.2022	**12.99**	**223.95**	**2,939.13**	**70.82**	**5.59**	**16.41**	**27.99**	**0.02**	**3,296.89**
Balance as on 01.04.2023	**12.99**	**223.95**	**2,939.13**	**73.48**	**8.81**	**22.12**	**48.71**	**0.02**	**3,329.22**
Additions during the period	**-**	**-**	**-**	**13.56**	**4.82**	**3.72**	**10.55**	**0.01**	**32.65**
Adjustment / Reclassification	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Amount of change due to revaluation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Less: Disposals/Sale/Transfer during the quarter	**-**	**-**	**-**	**36.63**	**-**	**0.99**	**3.58**	**-**	**41.19**
Balance as on 30.09.2023	**12.99**	**223.95**	**2,939.13**	**50.42**	**13.64**	**24.85**	**55.68**	**0.02**	**3,320.69**

Accumulated Depreciation									
Balance as at April 01, 2020	**3.36**	**39.35**	**512.52**	**31.89**	**3.47**	**4.81**	**1.17**	**-**	**596.58**
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-
Depreciation expense	**0.91**	**13.28**	**172.91**	**12.72**	**0.65**	**0.90**	**0.65**	**0.00**	**202.03**
Depreciation adjustment due to revaluation	-	-	-	-	-	-	-	-	-
Less: Eliminated on disposals/Sale/Transfer	-	-	-	**6.93**	-	**0.45**	**0.23**	-	**7.60**
Balance as at March 31, 2021	**4.27**	**52.63**	**685.43**	**37.68**	**4.12**	**5.26**	**1.59**	**0.00**	**790.98**
Balance as at April 01, 2021	**4.27**	**52.63**	**685.43**	**37.68**	**4.12**	**5.26**	**1.59**	**0.00**	**790.98**
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-
Depreciation expense	**0.83**	**13.28**	**172.91**	**19.35**	**0.43**	**1.22**	**4.07**	**0.01**	**212.10**
Depreciation adjustment due to revaluation	-	-	-	-	-	-	-	-	-
Less: Eliminated on disposals/Sale/Transfer	-	-	-	**11.28**	-	**0.30**	**0.02**	-	**11.60**
Balance as at March 31, 2022	**5.10**	**65.90**	**858.35**	**45.75**	**4.55**	**6.18**	**5.64**	**0.01**	**991.49**
Balance as at April 01, 2022	**5.10**	**65.90**	**858.35**	**45.75**	**4.55**	**6.18**	**5.64**	**0.01**	**991.49**
Adjustment / Reclassification	-	-	-	-	-	-	0.17	(0.00)	**0.17**
Depreciation expense	0.75	13.28	172.91	15.19	0.29	2.65	11.53	0.01	**216.61**
Depreciation adjustment due to revaluation	-	-	-	-	-	-	-	-	**-**
Less: Eliminated on disposals/Sale/Transfer	-	-	-	1.41	3.89	0.99	1.21	-	**7.49**
Balance as at March 31, 2023	**5.85**	**79.18**	**1,031.26**	**59.53**	**0.96**	**7.85**	**16.14**	**0.02**	**1,200.78**
Balance as on 01.04.2022	**5.11**	**65.91**	**858.35**	**45.76**	**4.55**	**6.18**	**5.64**	**0.01**	**991.51**
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-
Depreciation expense	0.37	6.66	86.69	6.62	0.14	1.06	4.09	0.00	105.65
Depreciation adjustment due to revaluation	-	-	-	-	-	-	-	-	-
Less: Eliminated on disposals/Sale/Transfer	-	-	-	0.65	-	0.22	1.01	-	1.88
Balance as on 30.09.2022	**5.48**	**72.56**	**945.04**	**51.73**	**4.70**	**7.03**	**8.73**	**0.02**	**1,095.29**
Balance as on 01.04.2023	**5.85**	**79.18**	**1,031.26**	**59.53**	**0.96**	**7.85**	**16.14**	**0.02**	**1,200.78**
Adjustment / Reclassification	-	-	-	-	-	-	-	-	-
Depreciation expense	0.34	6.64	86.46	3.99	1.95	1.84	8.10	0.00	109.31
Depreciation adjustment due to revaluation	-	-	-	-	-	-	-	-	-
Less: Eliminated on disposals/Sale/Transfer	-	-	-	34.26	-	0.32	1.39	-	35.98
Balance as on 30.09.2023	**6.19**	**85.82**	**1,117.71**	**29.27**	**2.91**	**9.37**	**22.85**	**0.02**	**1,274.13**
Carrying Amount									
As at March 31, 2021	**8.72**	**171.32**	**2,253.70**	**19.55**	**1.47**	**4.03**	**5.00**	-	**2,463.78**
As at March 31, 2022	**7.89**	**158.05**	**2,080.78**	**23.52**	**1.03**	**9.56**	**20.24**	**-**	**2,301.07**
As at March 31, 2023	**7.14**	**144.77**	**1,907.87**	**13.95**	**7.86**	**14.27**	**32.57**	**0.00**	**2,128.43**
As at September 30, 2022	**7.51**	**151.38**	**1,994.09**	**19.09**	**0.89**	**9.39**	**19.26**	**-**	**2,201.61**
As at September 30, 2023	**6.80**	**138.13**	**1,821.42**	**21.15**	**10.73**	**15.49**	**32.84**	**0.00**	**2,046.55**

Note 13 : Capital Work-In-Progress (CWIP) (₹ in Millions)

Particular	Amount
Capital work in progress - Building	
Balance as at April 01, 2020	**0.09**
Additions during the year	-
Borrowing cost capitalised	-
Less: Transfer to Property Plant & Equipment/ Investment property	-
Balance as at March 31, 2021	**0.09**
Balance as at April 01, 2021	**0.09**
Additions during the year	1,283.24
Borrowing cost capitalised	-
Less: Transfer to Property Plant & Equipment/ Investment property	-
Balance as at March 31, 2022	**1,283.33**
Balance as at April 01, 2022	**1,283.33**
Additions during the year	109.30
Borrowing cost capitalised	-
Less: Transfer to Property Plant & Equipment/ Investment property	-
Balance as at March 31, 2023	**1,392.63**
Balance as at 01.04.2022	**1,283.33**
Additions during the half year	4.56
Borrowing cost capitalised	-
Less: Transfer to Property Plant & Equipment/ Investment property	-
Balance as at 30.09.2022	**1,287.89**
Balance as at 01.04.2023	**1,392.63**
Additions during the half year	25.02
Borrowing cost capitalised	-
Less: Transfer to Property Plant & Equipment/ Right to use	1,292.80
Balance as at 30.09.2023	**124.86**

i. Ageing schedule of Capital-work-in progress (including the project whose completion is overdue)

a. Capital-work-in progress (Within scheduled completion)

(₹ in Millions)

As at 30.09.2023	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	124.86	-	-	-	124.86
Projects temporarily suspended	-	-	-	-	-
As at 30.09.2022	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	1,287.81	-	-	0.09	1,287.89
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2023	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	109.30	1,283.24		0.09	1,392.63
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2022	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	1,283.24	-	-	0.09	1,283.33
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2021	**Amount in CWIP for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	0.09	-	0.09
Projects temporarily suspended	-	-	-	-	-

b. Capital-work-in progress (completion overdue / exceeded cost compared to its original plan)

(₹ in Millions)

As at 30.09.2023	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project 1	46.29	-	-	-	46.29
Project 2	-	-	-	-	-
As at 30.09.2022	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project 1	1,287.81	-	-	-	1,287.81
Project 2	-	-	-	-	-

As at March 31, 2023	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	1,283.24	-	-	-	1,283.24
Project 2	-	-	-		-

As at March 31, 2022	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	-	-	-	-	-
Project 2	-	-	-	-	-

As at March 31, 2021	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project 1	-	-	-	-	-
Project 2	-	-	-	-	-

IREDA had taken over the possession of office space at NBCC Building, Kidwai Nagar on 06.07.2021 & 2 residential flats at NBCC Building, Kidwai Nagar on 15.07.2021 .The same has been capitalized after its occupation from June, 2023. The improvement to the space occupied amounting to ₹ 124.86 Millions disclosed as Capital-Work-in Progress (CWIP) will be capitalized on completion of relevant contracts and deliverables.

The possession of the NBCC premises was delayed due to Public Interest Litigation (PIL) filed in the National Green Tribunal, thus not considered as delayed w.r.t. the original plan.

Note 14 : Right of use asset (₹ in Millions)

Particular	Buildings	Land	Total
Gross Block			
Balance as at April 01, 2020	**245.57**	**-**	**245.57**
Additions during the year	10.93	43.33	54.26
Adjustment / Reclassification	(17.33)	-	(17.33)
Balance as at March 31, 2021	**239.17**	**43.33**	**282.50**
Additions during the year	-	-	-
Adjustment / Reclassification	-	-	-
Balance as at March 31, 2022	**239.17**	**43.33**	**282.50**
Additions during the year	-	-	-
Adjustment / Reclassification	-	-	-
Balance as at March 31, 2023	**239.17**	**43.33**	**282.50**
Balance as at 01.04.2022	**239.17**	**43.33**	**282.50**
Additions during the half year	-	-	-
Adjustment / Reclassification	-	-	-
Balance as at 30.09.2022	**239.17**	**43.33**	**282.50**
Balance as at 01.04.2023	**239.17**	**43.33**	**282.50**
Additions during the half year	1,292.80	-	1,292.80
Adjustment / Reclassification	-	-	-
Balance as at 30.09.2023	**1,531.97**	**43.33**	**1,575.30**
Accumulated Depreciation			
Balance as at April 01, 2020	**74.11**	**-**	**74.11**
Depreciation expense	23.06	0.91	23.97
Adjustment / Reclassification	(11.76)	-	(11.76)
Balance as at March 31, 2021	**85.41**	**0.91**	**86.32**
Depreciation expense	17.81	1.84	19.65
Adjustment / Reclassification	-	-	-
Balance as at March 31, 2022	**103.22**	**2.75**	**105.97**
Depreciation expense	16.10	1.84	17.95
Adjustment / Reclassification	-	-	-
Balance as at March 31, 2023	**119.32**	**4.60**	**123.92**
Balance as at 01.04.2022	**103.22**	**2.75**	**105.97**
Depreciation expense	8.05	0.92	8.97
Adjustment / Reclassification	-	-	-
Balance as at 30.09.2022	**111.27**	**3.68**	**114.95**
Balance as at 01.04.2023	**119.32**	**4.60**	**123.92**
Depreciation expense	19.92	0.92	20.84
Adjustment / Reclassification	-	-	-
Balance as at 30.09.2023	**139.24**	**5.52**	**144.76**
Carrying Amount			
As at March 31, 2021	**153.76**	**42.42**	**196.18**
As at March 31, 2022	**135.95**	**40.58**	**176.53**
As at March 31, 2023	**119.85**	**38.74**	**158.58**
As at September 30, 2022	**127.90**	**39.66**	**167.56**
As at September 30, 2023	**1,392.73**	**37.81**	**1,430.54**

Refer Note 38(12) for details on right of use assets

Note 15: Intangible assets under development

Particular	(₹ in Millions) Amount
Balance as at April 01, 2020	**-**
Additions during the year	-
Less : Transfer to intangible assets	-
Balance as at March 31, 2021	**-**
Balance as at April 01, 2021	**-**
Additions during the year	31.12
Less : Transfer to intangible assets	-
Balance as at March 31, 2022	**31.12**
Balance as at April 01, 2022	**31.12**
Additions during the year	17.44
Less : Transfer to intangible assets	-
Balance as at March 31, 2023	**48.56**
Balance as at 01.04.2022	**31.12**
Additions during the half year	11.42
Less : Transfer to Intangible Assets	-
Balance as at 30.09.2022	**42.54**
Balance as at 01.04.2023	**48.56**
Additions during the half year	-
Less : Transfer to Intangible Assets	-
Balance as at 30.09.2023	**48.56**

i) Ageing schedule of Intangible assets under development (including the project whose completion is overdue)
(a) Intangible assets under development (Within scheduled completion)

(₹ in Millions)

As at Sept 30, 2023	Amount in Intangible asset underdevelopment for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	6.02	42.54	-	-	**48.56**
Projects temporarily suspended	-	-	-	-	**-**
As at Sept 30, 2022	**Amount in Intangible asset underdevelopment for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	42.54	-	-	-	**42.54**
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2023	**Amount in Intangible asset underdevelopment for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	17.44	31.12	-	-	**48.56**
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2022	**Amount in Intangible asset underdevelopment for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	31.12	-	-	-	**31.12**
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2021	**Amount in Intangible asset underdevelopment for a period of**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

(b) Intangible assets under development (completion overdue / exceeded cost compared to its original plan)

					(₹ in Millions)
As at Sept 30, 2023	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Implementation of ERP - D365	73.50	-	-	-	**73.50**
As at Sept 30, 2022	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Implementation of ERP - D365	78.45	-	-	-	**78.45**
As at March 31, 2023	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Implementation of ERP - D365	73.50	-	-	-	**73.50**
Project 2	-	-	-	-	-
As at March 31, 2022	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Implementation of ERP - D365	68.28	-	-	-	**68.28**
Project 2	-	-	-	-	-
As at March 31, 2021	**To be completed in**				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project 1	-	-	-	-	-
Project 2	-	-	-	-	-

The project (Implementation of ERP - D365) was supposed to go live on 31.07.2021, but due resons beyond the control of the Company (as COVID-19 , high attrition in the consulting firm etc) the project got delayed. The same is expected to be operational in FY 2023-24.

Note 16 :Intangible assets

Particular	**(₹ in Millions)** **Amount***
Gross Block	
Balance as at April 01, 2020	**4.32**
Additions during the year	0.08
Amount of change due to revaluation	-
Less: Disposals/Sale/Transfer	-
Balance as at March 31, 2021	**4.40**
Balance as at April 01, 2021	**4.40**
Additions during the year	-
Amount of change due to revaluation	-
Less: Disposals/Sale/Transfer	-
Balance as at March 31, 2022	**4.40**
Balance as at April 01, 2022	**4.40**
Additions during the year	0.06
Amount of change due to revaluation	-
Less: Disposals/Sale/Transfer	-
Balance as at March 31, 2023	**4.46**
Balance as at 01.04.2022	**4.40**
Additions during the quarter	0.06
Amount of change due to revaluation	-
Less: Disposals/Sale/Transfer	-
Balance as at 30.09.2022	**4.46**
Balance as at 01.04.2023	**4.46**
Additions during the quarter	-
Amount of change due to revaluation	-
Less: Disposals/Sale/Transfer	-
Balance as at 30.09.2023	**4.46**

Accumulated Depreciation	
Balance as at April 01, 2020	**2.68**
Amortisation expenses	0.66
Amortisation adjustment due to revaluation	-
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at March 31, 2021	**3.34**
Balance as at April 01, 2021	**3.34**
Amortisation expenses	0.61
Amortisation adjustment due to revaluation	-
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at March 31, 2022	**3.95**
Balance as at April 01, 2022	**3.95**
Amortisation expenses	0.36
Amortisation adjustment due to revaluation	-
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at March 31, 2023	**4.31**
Balance as at 01.04.2022	**3.95**
Amortisation expenses	0.05
Amortisation adjustment due to revaluation	-
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at 30.09.2022	**4.00**
Balance as at 01.04.2023	**4.31**
Amortisation expenses	0.03
Amortisation adjustment due to revaluation	-
Less: Eliminated on disposals/Sale/Transfer	-
Balance as at 30.09.2023	**4.34**
Carrying Amount	
As at March 31, 2021	1.06
As at March 31, 2022	0.45
As at March 31, 2023	0.14
As at Sept 30, 2022	0.46
As at Sept 30, 2023	0.12

*Pertains to Computer Software

Note 17 : Other non financial assets

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
Advance for capital expenditure			-	-	1,266.30
GOI Fully Serviced Bonds Money Receivable (Refer Note 38(33))	16,387.92	16,387.92	16,387.92	16,387.92	16,387.92
Other Receivables	123.87	122.05	117.11	21.69	24.88
Other advances	494.90	462.09	869.21	11.67	15.33
Total	**17,006.69**	**16,972.06**	**17,374.24**	**16,421.28**	**17,694.43**

Note 18 : Trade Payables

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
Trade payable					
(i) Total outstanding dues of micro enterprises and small enterprises	1.96	0.60	2.53	6.23	4.35
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	341.15	18.88	42.33	41.42	216.60
Total	**343.12**	**19.49**	**44.86**	**47.65**	**220.95**

Trade Payable ageing schedule

As at Sept 30, 2023

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment*				
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro, Small and Medium Enterprises (MSME)	-	1.96	-	-	-	-	1.96
(ii) Others	-	2.52	338.63	-	-	-	341.15
(iii) Disputed dues – Micro, Small and Medium Enterprises (MSME)				-	-	-	-
(iv) Disputed dues - Others				-	-	-	-
Total	**-**	**4.48**	**338.63**	**-**	**-**	**-**	**343.12**

*Where no due date of payment specified in that case disclosure has been made from the date of the transaction.

As at Sept 30, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment*				
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro, Small and Medium Enterprises (MSME)	0.27	0.21	-	-	-	-	0.48
(ii) Others	0.30	0.18	19.38	-	-	-	19.87
(iii) Disputed dues – Micro, Small and Medium Enterprises (MSME)	-	-	-	0.12	-	-	0.12
(iv) Disputed dues - Others	-	-	-	-	-	(0.98)	(0.98)
Total	**0.58**	**0.39**	**19.38**	**0.12**	**-**	**(0.98)**	**19.49**

*Where no due date of payment specified in that case disclosure has been made from the date of the transaction.

As at March 31, 2023

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment*				
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro, Small and Medium Enterprises (MSME)	1.80	0.60	-	-	-	-	2.40
(ii) Others	8.83	14.79	19.69	-	-	-	43.31
(iii) Disputed dues – Micro, Small and Medium Enterprises (MSME)	-	-	-		0.12	-	0.12
(iv) Disputed dues - Others	-	-	-	-	-	(0.98)	(0.98)
Total	**10.63**	**15.39**	**19.69**	**-**	**0.12**	**(0.98)**	**44.86**

*Where no due date of payment specified in that case disclosure has been made from the date of the transaction.

As at March 31, 2022

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment*				
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro, Small and Medium Enterprises (MSME)	5.71	0.21	-	-	-	-	5.92
(ii) Others	22.92	-	18.84	-	0.60	-	42.36
(iii) Disputed dues – Micro, Small and Medium Enterprises (MSME)			-	0.12	0.19	-	0.31
(iv) Disputed dues - Others			-	-	-	(0.94)	(0.94)
Total	**28.63**	**0.21**	**18.84**	**0.12**	**0.78**	**(0.94)**	**47.65**

*Where no due date of payment specified in that case disclosure has been made from the date of the transaction.

As at March 31, 2021

(₹ in Millions)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment*				
			Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Micro, Small and Medium Enterprises (MSME)	-	-	4.04	-	-	-	4.04
(ii) Others	2.08	-	49.44	2.37	-	162.50	216.39
(iii) Disputed dues – Micro, Small and Medium Enterprises (MSME)	-	-	0.12	0.19	-	-	0.31
(iv) Disputed dues - Others	-	-	-	0.17	0.04	(0.00)	0.21
Total	**2.08**	**-**	**53.60**	**2.73**	**0.04**	**162.50**	**220.95**

*Where no due date of payment specified in that case disclosure has been made from the date of the transaction.

Note 19 :Debt Securities

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost
Bonds:-					
(I) Taxfree Bonds - Non Convertible Redeemable Debentures (Secured)					
(Secured by paripassu charge on Loans and Advances (book debts) of the company.)					
(i) 8.16% Tax free Bonds	757.59	757.59	757.59	757.59	757.59
(Series XIII Tranche-I-IA- 2013-14)(Repayable on 13/03/2024)					
(ii) 8.41% Tax free Bonds	1,052.91	1,052.91	1,052.91	1,052.91	1,052.91
(Series XIII Tranche-I-IB- 2013-14) (Repayable on 13/03/2024)					
(iii) 7.17% Tax free Bonds	2,840.00	2,840.00	2,840.00	2,840.00	2,840.00
(Series XIV Private IC- 2015-16) (Repayable on 01/10/2025)					
(iv) 7.28 % Tax free Bonds	1,088.91	1,088.91	1,088.91	1,088.91	1,088.91
(Series XIV Tranche-I-IA- 2015-16) (Repayable on 21/01/2026)					
(v) 7.53 % Tax free Bonds	1,278.86	1,278.86	1,278.86	1,278.86	1,278.86
(Series XIV Tranche-I-IB- 2015-16) (Repayable on 21/01/2026)					
(vi) 8.55% Tax free Bonds	1,230.77	1,230.77	1,230.77	1,230.77	1,230.77
(Series XIII Tranche-I-IIA- 2013-14) (Repayable on 13/03/2029)					
(vii) 8.80% Tax free Bonds	2,345.51	2,345.51	2,345.51	2,345.51	2,345.51
(Series XIII Tranche-I-IIB- 2013-14) (Repayable on 13/03/2029)					
	-	-			
(viii) 8.56% Tax free Bonds	360.00	360.00	360.00	360.00	360.00
(Series XIII Tranche-I-IC- 2013-14) (Repayable on 27/03/2029)					
(ix) 7.49 % Tax free Bonds	8,842.65	8,842.65	8,842.65	8,842.65	8,842.65
(Series XIV Tranche-I-IIA- 2015-16) (Repayable on 21/01/2031)					
(x) 7.74 % Tax free Bonds	4,835.15	4,835.15	4,835.15	4,835.15	4,835.15
(Series XIV Tranche-I-IIB- 2015-16) (Repayable on 21/01/2031)					
(xi) 8.55% Tax free Bonds	388.12	388.12	388.12	388.12	388.12
(Series XIII Tranche-I-IIIA- 2013-14) (Repayable on 21/01/2034)					
(xii) 8.80% Tax free Bonds	1,441.64	1,441.64	1,441.64	1,441.64	1,441.64
(Series XIII Tranche-I-IIIB- 2013-14) (Repayable on 21/01/2034)					
(xiii) 7.43 % Tax free Bonds	364.44	364.44	364.44	364.44	364.44
(Series XIV Tranche-I-IIIA- 2015-16) (Repayable on 21/01/2036)					
(xiv) 7.68 % Tax free Bonds	749.99	749.99	749.99	749.99	749.99
(Series XIV Tranche-I-IIIB- 2015-16) (Repayable on 21/01/2036)					
Sub-Total(A)	**27,576.55**	**27,576.55**	**27,576.55**	**27,576.54**	**27,576.54**
(II) Taxable Bonds - Non Convertible Redeemable Debentures(Secured)*					
(Secured by negative lien on Loans and Advances (Book Debts) of the company.)					
(i) 9.49% Taxable Bonds	-	-	-	3,000.00	3,000.00
(Series IV- 2012-13) (Repayable on 04/06/2022)					
(ii) 8.44% Taxable Bonds	-	3,000.00	3,000.00	3,000.00	3,000.00
(Series VA- 2013-14) (Repayable on 10/05/2023)					
(iii) 9.02% Taxable Bonds	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
(Series III- 2010-11 - Tranche II)(Repayable on 24/09/2025)					
(iv) 8.12% Taxable Green Bonds	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
(Series VI A - 2016-17) (Repayable on 24/03/2027)					

(v) 8.05% Taxable Green Bonds	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
(Series VI B - 2016-17) (Repayable on 29/03/2027)					
(vi) 8.49% Taxable Bonds	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
(Series VB- 2013-14) (Repayable on 10/05/2028)					
(vii) 8.51% Taxable Bonds	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00
(Series VIIA- 2018-19) (Repayable on 03/01/2029)					
Less :Transaction Cost on above	1.56	1.79	1.68	1.90	2.10
	2,748.44	2,748.21	2,748.32	2,748.10	2,747.90
(viii) 8.47% Taxable Bonds	5,900.00	5,900.00	5,900.00	5,900.00	5,900.00
(Series VIIB- 2018-19) (Repayable on 17/01/2029)					
Less :Transaction Cost on above	1.57	1.80	1.69	1.91	2.11
	5,898.43	**5,898.20**	5,898.31	5,898.09	5,897.89
(ix) 8% Taxable Bonds	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
(Series IX A- 2019-20) (Repayable on 24/09/2029)					
Less :Transaction Cost on above	1.71	1.93	1.83	2.04	2.23
	9,998.29	**9,998.07**	9,998.17	9,997.96	9,997.77
	-	-			
(x) 7.40% Taxable Bonds	8,030.00	8,030.00	8,030.00	8,030.00	8,030.00
(Series IX B- 2019-20) (Repayable on 03/03/2030)					
Less :Transaction Cost on above	3.34	3.74	3.55	3.93	4.28
	8,026.66	8,026.26	8,026.45	8,026.07	8,025.72
Sub-Total(B)	**38,171.82**	**41,170.75**	**41,171.26**	**44,170.23**	**44,169.28**
(III) Taxable Bonds - Non Convertible Redeemable Debentures (Unsecured)*					
(i) 5.98% Taxable Bonds	1,060.00	1,060.00	1,060.00	1,060.00	-
(Series XI A- 2021-22) (Repayable on 16.04.2025)					
Less :Transaction Cost on above	0.05	0.07	0.06	0.09	-
	1,059.95	1,059.93	1,059.94	1,059.91	-
(ii) 7.46% Taxable Bonds	6,484.00	6,484.00	6,484.00	-	-
(Series XII A- 2022-23) (Repayable on 12.08.2025)					
Less :Transaction Cost on above	0.76	1.13	0.95	-	-
	6,483.24	6,482.87	6,483.05	-	-
(iii) 7.85% Taxable Bonds	12,000.00	12,000.00	12,000.00	-	-
(Series XII B- 2022-23) (Repayable on 12.10.2032)					
Less :Transaction Cost on above	1.70	1.83	1.77	-	-
	11,998.30	11,998.17	11,998.23	-	-
(iv) 7.79% Taxable Bonds	5,150.00	-	5,150.00	-	-
(Series XII C- 2022-23) (Repayable on 07.12.2032)					
Less :Transaction Cost on above	0.77	-	0.80	-	-
	5,149.23	-	5,149.20	-	-
(v) 7.94% Taxable Bonds	15,000.00	-	15,000.00	-	-
(Series XII D- 2022-23) (Repayable on 27.01.2033)					
Less :Transaction Cost on above	5.20	-	5.39	-	-
	14,994.80	-	14,994.61	-	-
(vi) 7.63% Taxable Bonds	10,000.00	-	-	-	-
(Series XV-A 2023-24) (Repayable on 11.08.2033)					
Less :Transaction Cost on above	6.90	-	-	-	-
	9,993.10	-	-	-	-
Sub-Total(C)	**49,678.62**	**19,540.96**	**39,685.03**	**1,059.91**	**-**

IV) Masala Bonds (Unsecured)#					
(i) 7.125% Green Masala Bond	-	19,500.00	-	19,500.00	19,500.00
(Series I- 2017-18)(Repayable on 10/10/2022)					
Less :Transaction Cost on above	-	0.79	-	15.30	43.21
	-	19,499.21	-	19,484.70	19,456.79
Sub-Total(D)	**-**	**19,499.21**	**-**	**19,484.70**	**19,456.79**
Total Bonds(A+B+C+D)	**1,15,426.98**	**1,07,787.47**	**1,08,432.83**	**92,291.38**	**91,202.61**
Debt securities in India	1,15,426.98	88,288.26	1,08,432.83	72,806.69	71,745.82
Debt securities oustide India	-	19,499.21	-	19,484.70	19,456.79
Total (A+B+C)	**1,15,426.98**	**1,07,787.46**	**1,08,432.83**	**92,291.39**	**91,202.62**

Note :

*The taxable bonds issued by IREDA have the clause in the Information memorandum of respective bonds for the reissue of bonds.

During the half year ended 30.09.2023, the company has redeemed Taxable Bond Series V-A 8.44% Taxable Bonds of ₹ 3,000.00 Million (half year ended on 30.09.2022 : redeemed Series IV 9.49% Taxable Bonds of ₹ 3,000.00 Million).

During the year ended March 31, 2023, the company has redeemed Taxable Bonds Series IV 9.49% (ISIN: INE202E07070) of ₹ 3,000.00 Million (FY 21-22: Nil; FY 20-21 8.87% Taxable Bonds - (Series III-A 2010-11) (ISIN: INE202E07054) of₹ 1,500.00 Million,

During the half year ended 30.09.2023 ,the company has issued Series XV A of the Taxable Bonds for ₹ 10,000.00 Million (During the half year ended 30.09.2022 : ₹ 18,484.00 Million).

During the year ended March 31, 2023, the company has issued 7.46% Taxable Bonds - (Series XII A 2022-23) (ISIN: INE202E08086) for ₹ 6,484.00 Million and 7.85% Taxable Bonds - (Series XII B 2022-23) (ISIN: INE202E08094) for₹ 12,000.00 Million (FY 21-22: 5.98% Taxable Bond - (Series XI-A 2021-22) (ISIN: INE202E08078) for₹ 1,060.00 Million; FY 20-21: Nil)

The company has repaid the 7.125% Green Masala Bonds (ISIN: XS1692377945) of ₹ 19,500.00 Million which were repayable on October 10, 2022. The Green Masala Bonds were listed on London Stock Exchange (LSE), Singapore Stock Exchange (SGX) and NSE IFSC Limited (NSE International Exchange).

Note 20 :Borrowings (Other than Debt Securities) **(₹ in Millions)**

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost
(a)Term Loans-					
(I)From Banks					
A. Term Loans - secured					
(i) From Asian Development Bank (ADB) - Loan-I	-	-	-	-	178.49
(Secured by pari-passu charge on the Loans and Advances (Book Debts) and Further Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 15.01.2003 till 15.07.2021 in installments ranging between US$ 398,900 to US$ 2,428,269.)					
(ii) From Kreditanstalt fuer Wiederaufbau (KFW) - Loan-V	4,165.62	4,638.01	4,716.32	5,347.03	6,344.20
(Secured by pari-passu charge on the Loans and Advances (Book Debts))					
(Repayment on half yearly basis starting from 30.12.2018 till 30.12.2027 in 16 installments of Euro 5,263,000 each and 3 installments of Euro 5,264,000 each .)					
(iii) From HDFC Bank Limited (HDFC) - Loan-III	1,875.00	-	2,291.67	-	-
(Secured by Pari-passu charge on Loans and Advances (book debts) & receivables of the Company upto 90 days with 100% cover .)					
(Repayable in 12 equal quarterly instalments of ₹ 2,08.33 Millions each starting from 30.03.2023).					
(iv) From HDFC Bank Limited (HDFC) - Loan-IV	2,083.33	-	2,500.00	-	-
(Secured by Pari-passu charge on Loans and Advances (book debts) & receivables of the Company upto 90 days with 100% cover .)					
(Repayable in 12 equal quarterly instalments of ₹ 2,08.33 Millions each starting from 23.04.2023).					
(v) From State Bank of India (SBI) - Loan-IV	22,916.67	-	25,000.00	-	-
(Secured by Pari-passu charge on Loans and Advances (book debts) & receivables of the Company upto 90 days with 100% cover.)					
(Repayable in 12 equal quarterly instalments of ₹ 2,08.33 Millions each starting from 22.07.2023).					
(vi) From Central Bank of India (CBI) - Loan II	8,333.33	-	10,000.00	-	-
(Secured by first pari-passu charge on receivables of the company with security coverage of 100%)					
(Repayable in 12 equal quarterly instalments of ₹ 8,33.33 Millions each beginning from 27.06.2023)					
(vii) From Bank of India (BOI) - Loan IV- BOI	9,473.68	-	10,000.00	-	-
(Secured by first pari-passu charge on receivables of the company with security coverage of 100%)					
(Repayable in 19 equal quarterly instalments of ₹ 5,26.32 Millions each beginning from 30.09.2023)					

(viii) From HSBC Bank - Loan I - HSBC (22-23 Rs 400 Cr)	1,000.00	-			
(Secured by First Pari-Passu charge on Loans and Advances (book debts) & receivables of the Company with 100% cover)					
(Repayable in 18 equal quarterly instalments of Rs 22.22 crore. First repayment due on 09.09.2023					
(ix) From NaBFID - Loan I- NaBFID	18,000.00	-	11,000.00	-	-
(Secured by first pari-passu charge on receivables of the company with security coverage of 100%)					
(Repayable in 36 equal quarterly instalments of ₹ 8,33.33 Millions each beginning from 30.06.2024)					
(x) From Punjab National Bank - Loan IV- PNB	290.00	-	1,650.00	-	-
(Secured by first pari-passu charge on receivables of the company with security coverage of 100%)					
(Repayable in 10 equal quarterly instalments of ₹ 1360.00 Millions each beginning from 30.09.2023 and last instalments of ₹ 1400.00 Millions.)					
(xi) From Indian Overseas Bank - Loan I- IOB	7,750.00	-	3,750.00	-	-
(Secured by first charge on pari-passu basis with other lenders under multiple banking arrangement on standard loan receivables of the company with minimum security coverage of 100%)					
(Repayable in 3 annual instalments , two of ₹ 3,333.33 Millions each and one for ₹ 3,333.33 Millions. First instalment due on 31.03.2024)					
(xii) From IDBI Bank -Term Loan Facility I	5,000.00	-	3,000.00	-	-
(Secured by First Pari-Passu charge on receivables of the company with security coverage of 100%)					
(Repayable in 18 equal quarterly instalment of ₹ 2,77.78 Millions each beginning from 31.12.2023 and last instalment will be 31.3.2028)					
(xiii) From HDFC Bank Limited (HDFC) - Loan-I	-	-	-	-	500.00
(Secured by Pari-passu charge on Loans and Advances (book debts) & receivables of the Company upto 90 days with 100% cover .)					
Repayment on quaterly basis starting from 28.03.2019. Balance repayable in 11 installments of ₹ 16,66,66,666 each					
(xiv) From HDFC Bank Limited (HDFC) - Loan-II	-	-	-	-	2,250.00
(Secured by Pari-passu charge on Loans and Advances (book debts) & receivables of the Company upto 90 days with 100% cover).					
(Repayable in 20 equal quarterly instalments of ₹ 125,000,000 each starting from 30.12.2020).					
(xv) From State Bank of India (SBI) - Loan-I	1,500.00	3,500.00	2,500.00	4,500.00	6,500.00
(Secured by first pari-passu charge by way of hypothecation of the Loans and Advances (Book Debts)of the Company subject to 100% of the loan amount)					
(Repayable in 20 equal quarterly instalments of ₹ 5,000.00 Lakhs each starting from 22.09.2019.)					
Less :Transaction Cost on above	0.04	0.14	0.07	0.21	0.42
	1,499.96	3,499.86	2,499.93	4,499.79	6,499.58
(xvi) Loan from State Bank of India (SBI-II) - Loan-II*	-	-	-	-	620.00
(Secured by first pari-passu charge by way of hypothecation of the Loans and Advances (Book Debts)of the Company subject to 100% of the loan amount)					
(Repayable in 20 equal quarterly instalments of ₹ 500,000,000.00 each starting from 27.08.2021.) .					
(xvii) From Asian Development Bank (ADB) - Loan-II	12,735.56	13,592.03	13,154.70	13,139.90	13,720.88
(Guaranteed by the Government of India)					
(Secured by pari-passu charge on the Loans and Advances (Book Debts))					
(Repayment on half yearly basis starting from 15.04.2020 till 15.10.2034 in 29 equal installments of US$ 6,666,666.67 each and 30th installment of US$ 6,666,666.57)					
(xviii) From Bank of India (BOI) - Loan I	6,154.25	7,596.62	6,838.05	8,429.95	2,479.95
(Secured by first pari-passu charge on the receivables of the Company with security coverage of 100%)					
(Repayable in 21 equal quarterly instalments of ₹ 341.90 Millions each starting from 22.02.2023.) .					

(xix) From Bank of India (BOI) - Loan-II Tranch-A	3,684.21	4,736.84	4,210.53	5,000.00	-
(Secured by first pari-passu charge on the receivables of the Company with security coverage of 100%)					
(Repayable in 19 equal quarterly instalments of ₹ 263.16 Millions each starting from 30.09.2022)					
(xx) From Punjab National Bank (PNB) - Loan-II	4,875.00	6,000.10	5,625.00	6,000.10	-
(Secured by first pari-passu charge on all present and future receivables of the Company with minimum security cover of 1 time of the outstanding loan amount)					
(Repayable in 16 structured quarterly equal instalments. First instalment of ₹ 375.01 Millions due on 21.03.2023 and remaining instatlments of ₹ 375.00 Millions each stating from 21.06.2023.) .					
(xxi) From State Bank Of India (SBI) - Loan-III Tranch-A	16,419.00	27,473.00	18,946.00	24,000.00	-
(Secured by first pari-passu charge by way of hypothecation of the Loans and Advances (Book Debts)of the Company subject to 100% of the loan amount)					
(Repayable in 16 equal quarterly instalments of ₹ 1,263.50 Millions each starting from 29.12.2022 till 29.09.2026 and second last Instalment on 29.12.2026 and final instalment on 29.03.2027 of 628.50 Millions each)					
(xxii) From State Bank Of India (SBI) - Loan-III Tranch-B	4,666.00	-	5,333.00	-	-
(Secured by first pari-passu charge by way of hypothecation of the Loans and Advances (Book Debts)of the Company subject to 100% of the loan amount)					
(Repayable in 16 equal quarterly instalments of ₹ 333.50 Millions each starting from 29.12.2022 till 29.12.2026 and final installment of ₹ 330.50 Millions on 29.03.2027)					
(xxiii) From Kreditanstalt fuer Wiederaufbau (KFW) - Loan-VI	1,256.46	1,373.39	1,408.27	1,254.96	-
(Secured by pari-passu charge on the Loans and Advances (Book Debts))					
(Repayment on half yearly basis starting from 30.12.2021 till 30.06.2028 in 6 installments of Euro 1,428,000 each and 8 installments of Euro 1,429,000 each .)					
(xxiv) From Bank of India (BOI) Loan-I	9,777.78	11,000.00	11,000.00	-	-
(Secured by first pari-passu charge on the receivables of the Company with security coverage of 100%)					
(Repayable in 18 structured quarterly equal instalments of ₹ 611.11 Millions each starting from 30.06.2023)					
(xxv) From Punjab National Bank (PNB)	14,062.50	5,000.00	15,000.00	-	-
(Secured by first pari-passu charge on all present and future receivables of the Company with minimum security cover of 1 time of the outstanding loan amount).					
(Repayable in 16 structured quarterly equal instalments of ₹ 937.50 Millions each starting from 27.09.2023)					
(xxvi) From Bank of India (BOI) - II Tranch-B	1,846.20	2,357.95	2,109.94	-	-
(Secured by first pari-passu charge on the receivables of the Company with security coverage of 100%).					
(Repayable in 19 quarterly instalments. First instalments of ₹ 526.32 Millions on 30.09.2022 and 18 equal quarterly instalments of ₹ 131.87 Millions starting from 31.12.2022).					
(xxvii) From Central Bank of India - I	7,500.00	-	9,166.67	-	-
First pari-passu charge over book debts/receivables of the company by way of hypothecation to the extent of 100% of the principal amount					
(Repayable in 12 structured quarterly equal instalments of ₹ 833.33 Millions each starting from 29.03.2023).					
(xxviii) Short Term Loan from State Bank of India (SBI)	-	-	5,000.00	-	-
(Secured by first pari-passu charge on the receivables of the Company with security coverage of 100%, bullet repayment on 27.06.2023).					
Sub total(A)	**1,65,364.56**	**87,267.81**	**1,74,200.08**	**67,671.74**	**32,593.11**

B. Term Loans - Unsecured					
(i) From Kreditanstalt fuer Wiederaufbau (KFW) - Loan-I	1,703.34	1,645.66	1,788.23	1,788.79	1,920.18
(Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 30.12.2009 till 30.12.2039 in 28 installments of Euro 586,451.79 each, 32 installments of Euro 586,963.08 each and 1 installment of Euro 586,963 .)					
(ii) From Kreditanstalt fuer Wiederaufbau (KFW) - Loan-III	1,551.84	1,466.88	1,611.06	1,578.31	1,662.31
(Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 30.06.2020 till 30.12.2049 in 9 installments of Euro 332,000 each & 51 installments of Euro 333,000 each)					
(iii) From Kreditanstalt fuer Wiederaufbau (KFW) - Loan-IV	-	890.17	-	1,881.48	3,826.76
(Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 30.06.2014 till 30.12.2022 in 16 installments of Euro 11,111,000 each and 2 installments of Euro 11,112,000 each)					
(iv) From Kreditanstalt fuer Wiederaufbau (KFW) - Loan-VII	2,807.19	1,421.51	1,433.09	1,321.37	1,281.23
(Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 15.05.2023 till 15.05.2035 in 1 installment of USD 8,912,000 each, and 24 installments of USD 1,408,248.09)					
(v) From International Bank for Reconstruction and Development (IBRD)- Loan-III	1,619.11	1,225.89	1,190.13	1,181.72	811.79
(Guaranteed by the Government of India to the extent of 80% of exposure)					
(Repayment on half yearly basis starting from 15.04.2022 till 15.10.2035 in 3 installments of US$ 556,508.17each, 24 installments of US$ 779,500.64 each and 28th installment of US$ 785,736.04) based on outstanding loan)					
(vi) From International Bank for Reconstruction and Development (IBRD) Clean Technology Fund (CTF) -- Loan-III	580.00	417.94	421.35	388.50	265.35
(Guaranteed by the Government of India to the extent of 80% of exposure)					
(Repayment on half yearly basis starting from 15.04.2027 till 15.10.2056 in 20 installments of US$ 69830.98 each and 40 installments of US$ 139,661.96 each) based on outstanding loan)					
(vii) From Karnataka Bank - I	4,091.00	-	5,000.00	-	-
(Repayable in 10 instalments of Rs 45,45,00,000 each and 11th (last) quarterly instalment of Rs 45,50,00,000. First instalment due on 29.05.2023)					
(viii) Short Term Loan from IDBI Bank	5,000.00	-	5,000.00	-	-
(Interest @ 7.25% p.a., bullet repayment on 18.10.2023)					
(ix) Short Term Loan from Indusind Bank	3,000.00	-		-	
(Rate of Interest linked with repo rate. Repayable in Sep 2023)					
Sub total (B)	**20,352.48**	**7,068.05**	**16,443.85**	**8,140.17**	**9,767.62**
Total loan from banks (C=A+B)	**1,85,717.04**	**94,335.86**	**1,90,643.93**	**75,811.91**	**42,360.72**
(II) From Others					
D. Term loans - unsecured					
(i) From National Clean Energy Fund (NCEF)	425.62	532.13	476.58	582.17	674.29
Repayable in 33 - 40 structured quaterly instalments					
(ii) From Agence Francaise De Developpement (AFD) - Loan-I	3,077.83	3,177.67	3,345.35	3,555.72	4,017.95
(Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 31.07.2016 till 31.01.2031 in 30 installments of Euro 2,333,333.33 each)					
(iii) From Agence Francaise De Developpement (AFD) - Loan-II	5,276.27	5,607.65	5,824.49	6,349.49	7,318.41
(Repayment on half yearly basis starting from 30.11.2019 till 30.05.2029 in 20 installments of Euro 5,000,000 each)					
(iv) From Japan International Cooperation Agency (JICA) - Loan-I	14,701.16	15,693.07	16,731.21	17,758.31	19,908.00
(Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 20.6.2021 to 20.06.2041 in 1 installment of JPY 731,720,000 and 40 Installments of JPY 731,707,000 each)					
(v) From Japan International Cooperation Agency (JICA) - Loan-II	16,726.26	16,915.07	18,521.46	18,650.33	19,888.09

(Guaranteed by the Government of India)					
(Repayment on half yearly basis starting from 20.03.2024 to 20.03.2044 in 1 installment of JPY 731,000,000 & 40 Installments of JPY 730,975,000 each)					
(vi) From European Investment Bank (EIB) - Loan-I	14,232.51	15,061.90	14,636.52	14,506.24	15,045.78
(Guaranteed by the Government of India)					
Tranche I - Repayment on half yearly basis starting from 26.09.2019 to 26.03.2035 in 32 installments of US$ 662,000 each .					
Tranche II - Repayment on half yearly basis starting from 15.07.2020 to 15.07.2036 in 32 installments of US$ 1,999,636.36 each and 1 installment of US$ 1,999,636.48 .					
Tranche III - Repayment on half yearly basis starting from 16.02.2021 to 15.08.2036 in 32 installments of US$ 4,005,375 each .					
(vii) From European Investment Bank (EIB) - Loan-II	13,932.79	14,049.41	13,977.81	13,059.67	4,326.12
(Tranche I - Repayment on half yearly basis starting from 27.02.2023 to 27.08.2035 in 25 instalments of US$ 2,263,653.85 each and 1 instalment of US$ 2,263,653.75) (Tranche II - Repayment on half yearly basis starting from 09.03.2024 to 09.09.2036 in 26 instalments of US$ 4,200,740.74 each and 1 instalment of US$ 4,200,740.76)					
(viii) Loan from Government of India	2,491.74	2,650.45	2,569.28	2,558.49	2,664.55
Against International Development Agency (IDA) - Second Renewable Energy Project (INR Loan)					
Repayment on half yearly basis starting from 15.10.2010 to 15.04.2035 in 20 installments of US$ 625,000 each and 30 installments of US$ 1,250,000 each payable in INR					
(ix) From India Infrastructure Finance Company Limited (IIFCL) - Loan-I	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
(Interest @ 5.60% p.a , bullet repayment on 26.03.2024.)					
(x) From India Infrastructure Finance Company Limited (IIFCL) - Loan-II	-	-	-	2,500.00	-
(Interest @ 5.86% p.a., bullet repayment on 24.08.2024.)#					
(xi) Short term loan from RBL Bank Ltd.	-	-	-	-	1,500.00
(Interest @ 4.02% p.a., bullet payment on 05.10.2021)					
Sub-Total (D)	**90,864.18**	**93,687.33**	**96,082.71**	**99,520.41**	**95,343.19**
Total term loans (a=C+D)	**2,76,581.22**	**1,88,023.20**	**2,86,726.64**	**1,75,332.32**	**1,37,703.92**
(b)Loans repayable on demand :-					
Secured					
From Banks					
(i) Union Bank of India	-	-	-	-	449.31
(Secured by parri passu charge on book debts and recivables with margin 25%)					
(ii) Bank of Baroda	-	-	-	2,014.42	3,820.00
(Secured by First Pari Passu charge on the book debts and receivables related to standard assets ,to the extent of 125% of the loan outstanding)					
(iii) HDFC Bank Limited	-	-	-	-	332.29
(Secured by Pari Passu charge over book debts & receivables up to 90 days with 100% cover)					
Sub total (b)	**-**	**-**	**-**	**2,014.42**	**4,601.60**
(c) FCNR(B) Demand Loans :-*					
Sub total (c)	**-**	**-**	**-**	**-**	**-**
Grand total(a+b+c)	**2,76,581.22**	**1,88,023.20**	**2,86,726.64**	**1,77,346.74**	**1,42,305.51**
Borrowings in India	1,79,723.54	88,196.50	1,85,397.36	73,026.43	39,125.40
Borrowings outside India	96,857.68	99,826.70	1,01,329.27	1,04,320.31	1,03,180.11
Total	**2,76,581.22**	**1,88,023.20**	**2,86,726.64**	**1,77,346.74**	**1,42,305.51**

(i) Foreign currency borrowings from various multilateral / bilateral agencies viz. ADB, World Bank , KfW, AFD,JICA and EIB have been converted into rupee and hedging of the same is done by undertaking plain vanilla swap transaction /currency interest rate swap / principal only swap etc. with various banks with whom IREDA has signed International Swaps and Derivative Association (ISDA) Master Agreement. These derivative transactions have been entered into with the participating bank for a maturity period which may be shorter than the maturity period of the loan. The hedging of the foreign currency loan has been carried out at various intervals and in multiple tranches based on the drawl under the lines of credit. In addition to the interest cost and other financial charges, due to hedging of foreign currency loans, these loans carry hedging/derivative cost, which is tranche wise as per the drawl under the line of credit, thus the applicable rate of interest on these lines of credit has not been disclosed above.

(ii) **With effect from March 01, 2021, the Term Loan Facility I and II from State Bank Of India were converted to FCNR(B) Demand Loan till February 28, 2022. The FCNR Loans had a fixed interest rate of 6.20% p.a. and other terms and conditions were same as that of erstwhile Term Loan Facility. After February 28, 2022, the FCNR Loans were converted back to Rupee Term Loan Facility.

(iii) Funds raised during the restated period have been utilised for the stated objects in the offer document/information memorandum/facility agreement.

(iv) The Company raises funds through various instruments including bonds . During the restated period, the Company has not defaulted in servicing of any of its debt service obligations whether for principal or interest .

(v) The company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.

(vi) The statements of book debts filed by the Company with banks/ financial institutions are in agreement with the books of accounts.

(vii)#The loan From India Infrastructure Finance Company Limited (IIFCL) - Loan-II was pre-closed on 24.08.2022.

(viii) Term Loans from banks/ financial institutions/ Govt. as mentioned in Note No. 20 have been raised at interest rates ranging from 5.60% to 8.30% payable on monthly/quarterly/semi annual rests.

Note 21 : Subordinated Liabilities

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost	At Amortised Cost
A) Unsecured					
Other than Perpetual Debt Instruments / Preference Shares					
(i) 9.23% IREDA Taxable Unsecured	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00
(Subordinated Tier-II Bonds Series VIII-Repayable on 22.02.2029)					
Less :Transaction Cost on above	2.09	2.38	2.24	2.52	2.77
	1,497.91	1,497.62	1,497.76	1,497.48	1,497.23
(ii) 7.74% IREDA Taxable Unsecured	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
(Subordinated Tier-II Bonds - Sr-X- Repayable on 08.05.2030)					
Less :Transaction Cost on above	4.19	4.66	4.43	4.88	5.31
	4,995.81	4,995.34	4,995.57	4,995.12	4,994.69
Total(A)	**6,493.73**	**6,492.96**	**6,493.33**	**6,492.60**	**6,491.92**
(B) Location-wise classification					
Subordinated Liabilities in India	6,493.73	6,492.96	6,493.33	6,492.60	6,491.92
Subordinated Liabilities outside India	-	-	-	-	-
Total(B)	**6,493.73**	**6,492.96**	**6,493.33**	**6,492.60**	**6,491.92**

Note 22 :Other Financial Liabilities

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
(a) National Clean Energy Fund (NCEF)	3,885.17	3,606.29	3,675.49	3,460.21	3,235.74
(b) Interest & Other Charges Accrued but not due on Borrowings	6,216.89	5,771.53	4,483.10	3,878.55	3,912.92
(c) Other Payables :					
MNRE Programme Funds	94.49	94.49	94.49	94.49	94.49
MNRE / UNDP -IREDA Scheme Funds (Refer Note 38(32)	6,820.25	168.95	206.14	334.42	401.09
GEF -MNRE -United Nations Industrial Development Organisation (UNIDO) Project (Refer Note 38(32))	27.33	25.69	25.69	25.51	-
Unclaimed Bond Interest *	13.62	10.24	10.36	8.80	15.36
Unclaimed Bond Principal	1.96	1.96	1.96	1.96	1.96
Payable to NCEF	3.93	2.24	2.24	8.91	21.21
Lease Liability	39.96	42.75	43.34	45.94	53.41
Provision for Adjustment/Refund of Interest on Interest	-	-	-	-	25.00
Others	689.45	4,870.32	4,811.53	501.25	869.08
Total	**17,793.05**	**14,594.46**	**13,354.34**	**8,360.04**	**8,630.25**

*Out of the same, no amount is eligible to be transferred to Investor Education and Protection Fund .

Note 23 :Provisions

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
Provision for Employee Benefits:- Refer note no. 38(8)					
-Provision for Leave Encashment	80.68	61.63	69.71	66.46	52.57
-Provision for Gratuity	-	-	-	-	-
-Provision for Post Retirement Medical Benefit (PRMB)	147.77	120.43	138.43	115.35	99.42
-Provision for Sick Leave	49.38	39.81	41.46	43.56	37.96
-Provision for Baggage Allowance	2.16	2.02	2.16	2.10	1.76
-Provision for Memento (Farewell Gift)	0.91	1.01	1.10	1.08	-
Others	-	-			
-Provision for Indirect Tax & other (on Guarantee Commission)	876.20	786.14	831.17	741.11	-
-Contingent provision on financial instruments (Loans)*	9,239.97	8,429.26	10,097.55	9,590.00	5,832.88
Total	**10,397.07**	**9,440.30**	**11,181.58**	**10,559.66**	**6,024.59**

*Including provision for Non Fund Exposure and excluding provision for Stage III loans.

Note 24 :Other non-financial liabilities

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
Revenue received in advance					
Front end fee received in advance	403.94	223.57	283.82	159.52	130.59
Other Advances					
Others	8.27	4.15	6.08	2.55	3.72
Others					
Provident fund payable	6.65	0.19	5.84	0.01	-
Statutory Dues	47.08	78.51	128.87	161.38	120.39
MNRE GOI Fully Serviced Bonds (including interest accrued) (Refer Note 38(33))	16,523.20	16,513.33	16,516.04	16,511.75	16,509.37
Sundry liabilities - Interest capitalisation (Funded Interest Term Loan)	859.72	569.79	294.28	545.20	419.69
Capital Grant from World Bank (Refer Note 38(46))	48.56	42.54	42.54	31.12	-
Default Risk Reduction Fund for Access to Energy Projects (KFW VI)#	92.42	90.26	92.42	67.57	-
Total	**17,989.84**	**17,522.34**	**17,369.89**	**17,479.10**	**17,183.76**

#Provided by KFW to cover up to 70% default risks of the overall access to energy portfolio of the Comapny under KFW VI line of credit by establishment of a portfolio risk reserve account (PRRA). The said amount shall be utilised to recover up to 70% of outstanding debt service obligation of the borrower, after exhausting DSRA, upon being declared NPA .

Note 25 :Equity Share Capital

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
(A) Authorised Share Capital					
6,000,000,000 Equity Shares of ₹ 10 each	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00
	60,000.00	**60,000.00**	**60,000.00**	**60,000.00**	**60,000.00**
(B)Issued, subscribed and fully paid up					
2,284,600,000 Equity Shares of ₹. 10 each fully paid up as at 30.09.2023 (as at 30.09.2022 : 2,284,600,000; as at 31.03.2023 : 2,284,600,000; as at 31.03.2022 : 2,284,600,000; as at 31.03.2021 : 784,600,000 Equity Shares of ₹. 10 each).	22,846.00	22,846.00	22,846.00	22,846.00	7,846.00
Total	**22,846.00**	**22,846.00**	**22,846.00**	**22,846.00**	**7,846.00**

Reconciliation of the number of shares outstanding: -

Particulars	As at Sept 30, 2023 (Standalone)		As at Sept 30, 2022 (Standalone)		As at March 31, 2023 (Standalone)		As at March 31, 2022 (Standalone)		As at March 31, 2021 (Consolidated)	
	No. of shares	Amount (in Millions)	No. of shares	Amount (in Millions)	No. of shares	Amount (in Millions)	No. of shares	Amount (in Millions)	No. of shares	Amount (in Millions)
Equity Shares at the beginning of the year (of ₹ 10 each)	2,28,46,00,000	22,846.00	2,28,46,00,000	22,846.00	2,28,46,00,000	22,846.00	78,46,00,000	7,846.00	78,46,00,000	7,846.00
Add:- Shares issued during the year	-	-	-	-	-	-	1,50,00,00,000	15,000.00	-	-
Brought back during the year	-	-	-	-	-	-	-	-	-	-
Equity Shares at the end of the year (of ₹ 10 each)	2,28,46,00,000	22,846.00	2,28,46,00,000	22,846.00	2,28,46,00,000	22,846.00	2,28,46,00,000	22,846.00	78,46,00,000	7,846.00

Details of the shares held by each shareholder holding more than 5% shares:-

Particulars	As at Sept 30, 2023 (Standalone)		As at Sept 30, 2022 (Standalone)		As at March 31, 2023 (Standalone)		As at March 31, 2022 (Standalone)		As at March 31, 2021 (Consolidated)	
	No. of shares	% held	No. of shares	% held	No. of shares	% held	No. of shares	% held	No. of shares	% held
Government of India	2,28,46,00,000	100.00	2,28,46,00,000	100.00	2,28,46,00,000	100.00	2,28,46,00,000	100.00	78,46,00,000	100.00

Details of Shares held by promoters at the end of the year

Particulars	As at Sept 30, 2023 (Standalone)			As at Sept 30, 2022 (Standalone)			As at March 31, 2023 (Standalone)			As at March 31, 2022 (Standalone)			As at March 31, 2021 (Consolidated)		
	No. of shares	% of total shares	% Change during the period	No. of shares	% of total shares	% Change during the period	No. of shares	% of total shares	% Change during the period	No. of shares	% of total shares	% Change during the period	No. of shares	% of total shares	% Change during
Government of India	2,28,46,00,000	100.00	-	2,28,46,00,000	100.00	-	2,28,46,00,000	100.00	-	2,28,46,00,000	100.00	191.18%	78,46,00,000	100.00	-

1 The Company has issued only one class of equity shares having face value of ₹ 10 per share.
2 Equity shareholders are entitled to receive dividends which is subject to approval in the ensuing Annual General Meeting, except in case of interim dividend.
3 Equity Shareholders have full voting rights with no restrictions.
4 The company has not, for a year of 5 years immediately preceeding the balance sheet date :
a) issued equity share without payment being received in cash.
b) issued equity share by way of bonus share.
c) bought back any of its share.
5 The company has no equity share reserved for issue under options/contracts /commitment for the sale of shares or disinvestment. Refer Note 38(64)
6 Calls unpaid (showing aggregate value of calls unpaid by directors and officers): Nil
7 Forfeited shares (amount originally paid up): Nil
8 For Capital Management: Refer Note 38(39).
9 During the FY 2021-22 Government of India (GoI) has infused ₹ 15,000.00 Millions of equity contribution leading to increase in Equity Share Capital to 22,846 Million. Refer Note 38(45).

Note 26 : Other Equity*

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
(a) Reserves and Surplus					
(i) Special Reserve	14,300.33	12,080.56	13,171.03	11,615.53	10,459.10
(ii) Debenture Redemption Reserve	4,211.20	3,748.29	3,979.75	3,516.84	3,053.93
(iii) General Reserve	19,104.83	14,229.83	19,104.83	14,229.83	10,779.83
(iv) Foreign Currency Monetary Item Translation Reserve (FCMITR)	(3,537.06)	(2,787.95)	(5,803.96)	(4,215.61)	(6,387.58)
(iv) NBFC Reserve	4,618.27	2,888.27	4,618.27	2,888.27	1,618.27
(b) Retained Earnings	4,455.20	3,421.74	25.05	13.82	27.48
(c) Effective portion of Cash Flow Hedges					
(i) Cash Flow Hedge Reserve	(192.65)	(43.62)	1,410.72	1,786.46	2,558.97
Total Other Equity (a+b+c)	**42,960.12**	**33,537.12**	**36,505.69**	**29,835.13**	**22,110.00**

* for changes during the year refer Statement of Changes in Equity

Details of other equity is shown as below:

(₹ in Millions)

Particulars	As at Sept 30, 2023 (Standalone)	As at Sept 30, 2022 (Standalone)	As at March 31, 2023 (Standalone)	As at March 31, 2022 (Standalone)	As at March 31, 2021 (Consolidated)
Special Reserves					
Under Section 36(1)(viii) of the Income Tax Act 1961					
Balance at the beginning of the year	13,171.03	11,615.53	11,615.53	10,459.10	9,347.14
Add: Current Year Transfer	1,129.30	465.04	1,555.50	1,156.43	1,111.95
Less: Written Back in Current year	-	-	-	-	-
Balance at the end of the year	**14,300.33**	**12,080.56**	**13,171.03**	**11,615.53**	**10,459.10**
Debenture Redemption Reserve					
Balance at the beginning of the year	3,979.75	3,516.84	3,516.84	3,053.93	2,591.02
Add: Current Year Transfer	231.46	231.46	462.91	462.91	462.91
Less: Written Back in Current year	-	-	-	-	-
Balance at the end of the year	**4,211.20**	**3,748.29**	**3,979.75**	**3,516.84**	**3,053.93**
General Reserve				-	-
Balance at the beginning of the year	19,104.83	14,229.83	14,229.83	10,779.83	8,829.83
Add: Current Year Transfer	-	-	4,875.00	3,450.00	1,950.00
Less: Written Back in Current year	-	-		-	-
Balance at the end of the year	19,104.83	**14,229.83**	**19,104.83**	**14,229.83**	**10,779.83**
Foreign Currency Monetary Item Translation Reserve (FCMITR)					
Balance at the beginning of the year	(5,803.96)	(4,215.61)	(4,215.61)	(6,387.58)	(10,134.53)
Add:Additions during the year	2,361.27	1,372.63	(1,788.91)	1,713.37	3,048.82
Less: Amortisation during the year	94.37	(55.03)	(200.56)	(458.60)	(698.13)
Balance at the end of the year	**(3,537.06)**	**(2,787.95)**	**(5,803.96)**	**(4,215.61)**	**(6,387.58)**
NBFC Reserve(Section 45-IC of RBI Act 1934)					
Balance at the beginning of the year	4,618.27	2,888.27	2,888.27	1,618.27	918.27
Add:Additions during the year	-	-	1,730.00	1,270.00	700.00
Less: Amortisation during the year	-	-	-	-	-
Balance at the end of the year	**4,618.27**	**2,888.27**	**4,618.27**	**2,888.27**	**1,618.27**

Note 27 : Interest Income (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
(i) Interest on Loans from lending operations	22,466.97	15,140.95	32,975.85	26,580.57	24,958.88
Less : Rebate	167.28	88.35	189.55	132.52	8.90
Interest on Loans (Net)	22,299.69	15,052.61	32,786.30	26,448.05	24,949.98
(ii) Interest income on Investments					
-Interest on GOI Securities	33.53	33.52	67.04	19.74	-
-Interest on Commercial Papers			-	-	18.49
(ii) Interest on deposits with Banks:-					
-Short Term Deposit-INR	178.53	154.86	777.89	114.93	351.40
-Short Term Deposit-Foreign Currency	23.18	-	-	0.18	4.66
(iii) Other interest Income:-					
-Interest on SB a/c	0.16	0.85	1.91	0.45	0.05
(iv) Differential interest	321.77	87.59	105.12	548.86	318.80
Total	**22,856.86**	**15,329.42**	**33,738.27**	**27,132.21**	**25,643.38**

Interest on Financial Assets measued at Amortised Cost.

Note 28 : Fees and commission income (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
(a) Business Service Fees					
(i) Fee based income	71.54	111.43	218.96	846.76	162.47
(ii) Consultancy Fee	1.56	1.46	2.37	16.03	-
(iii) Gurantee Commission	81.92	47.22	80.74	139.36	116.24
Total business service fees (a)	**155.01**	**160.11**	**302.07**	**1,002.15**	**278.71**
(b) Service Charges					
(i) Government Scheme implementation	53.64	1.24	71.26	61.71	59.02
Total Service Charges-Government Scheme Implementation (b)	**53.64**	**1.24**	**71.26**	**61.71**	**59.02**
Total (a+b)	**208.65**	**161.35**	**373.33**	**1,063.86**	**337.73**

Note 29 : Net gain/(loss) on fair value changes on Derivatives* (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Net gain/(loss) on financial instruments at fair value through statement of profit and loss other than trading portfolio					
(i) Derivatives					
- Fair value changes on derivative cover taken for foreign currency loans	(113.21)	100.68	124.28	(14.73)	(124.73)
Fair Value changes:	-	-	-	-	-
- Realised	-	-	-	-	-
- Unrealised	(113.21)	100.68	124.28	(14.73)	(124.73)
Total Net gain/(loss) on fair value changes	**(113.21)**	**100.68**	**124.28**	**(14.73)**	**(124.73)**

*Fair Value changes in this schedule are other than those arising on account of accrued interest income/expenses

Note 30: Other Operating Income (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
i) Revenue from Solar Power Plant*					
Sale of Power (a)	142.65	120.76	274.53	290.71	279.77
Less : Rebate to Customer (b)	2.85	2.42	5.49	5.81	5.60
Revenue from Solar Power Plant (Net) (c=a-b)	**139.80**	**118.34**	**269.04**	**284.90**	**274.17**
ii) Profit from Sale of Investments	-	-	-	18.86	-
iii) Bad debts recovered	106.23	62.92	314.83	113.89	417.57
Total (i+ii+iii)	**246.03**	**181.26**	**583.87**	**417.65**	**691.74**

*(Refer Note no 38(24) and 38(25)

Note 31 :Other income (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Excess Provision Written Back	(0.09)	-	-	0.65	19.92
Interest on staff loan	6.16	4.07	9.49	2.78	2.41
Profit On Sale Of Property, Plant and equipment	-	-	-	0.02	0.33
Profit on sale of Investment in Associate (Refer Note 38(26))	-	-	-	1.20	-
Rental Income	-	-	-	-	0.55
Others	0.18	0.72	1.21	137.91	6.11
Total	**6.25**	**4.79**	**10.69**	**142.56**	**29.32**

Note 32 :Finance Cost (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Interest on borrowings	10,230.02	4,859.58	11,888.04	7,033.29	6,676.17
Interest on debt securities	4,302.74	3,621.94	7,467.00	7,168.18	7,229.64
Interest on Subordinated Liabilities	263.02	263.44	525.45	525.45	486.22
Other borrowing cost	769.81	510.04	982.44	1,115.18	1,282.19
Transaction cost on Borrowings	1.55	15.54	17.62	29.74	27.61
Interest on lease liability	1.83	1.93	3.82	0.67	0.79
Total	**15,568.97**	**9,272.47**	**20,884.38**	**15,872.51**	**15,702.62**

Finance Cost on Financial liabilities measured at fair value through Amortised Cost.

Note 33 : Net translation/ transaction exchange loss / (gain) (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Net translation/ transaction exchange loss / (gain)	(206.13)	(9.96)	39.69	0.30	0.34
Amortisation of FCMITR	(94.37)	55.03	200.56	458.60	698.13
Total	**(300.49)**	**45.07**	**240.26**	**458.90**	**698.47**

Note 34 :Impairment on Financial assets (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Loans*	(1,143.75)	(328.50)	665.79	1,798.98	3,416.45
Total	**(1,143.75)**	**(328.50)**	**665.79**	**1,798.98**	**3,416.45**

Impairment on Financial instruments measured at Amortised Cost.

*For more details Refer Note no. 38(38)

Note 35 :Employee Benefits Expenses (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Salaries and wages	272.52	245.93	517.71	469.33	381.01
Contribution to provident and other funds	28.71	30.21	49.25	78.35	47.68
Staff welfare expenses	27.69	19.22	57.35	39.74	44.49
Human Resource Development expenses	0.54	5.69	6.61	0.76	0.42
Total	**329.46**	**301.05**	**630.93**	**588.18**	**473.60**

Note 36 :Depreciation And Amortization Expenses (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Depreciation on Property plant and equipment (Refer Note no. 12)	109.31	105.65	216.61	212.10	202.03
Amortization on Intangible assets (Refer Note no. 16)	0.03	0.05	0.36	0.61	0.66
Depreciation on Investment property (Refer Note no. 11)	0.02	0.03	0.06	0.07	0.08
Amortization on Right to use asset (Refer Note no. 14)	20.84	8.97	17.95	19.65	23.97
Total	**130.20**	**114.70**	**234.98**	**232.43**	**226.74**

Note 37 :Other expenses (₹ in Millions)

Particulars	For the half year ended Sept 30, 2023 (Standalone)	For the half year ended Sept 30, 2022 (Standalone)	Year ended March 31, 2023 (Standalone)	Year ended March 31, 2022 (Standalone)	Year ended March 31, 2021 (Consolidated)
Rent, taxes and power	71.18	69.20	148.13	876.88	23.34
Repairs and maintenance	43.01	35.24	59.29	60.96	57.56
Communication Costs	3.56	5.04	12.78	5.82	8.85
Printing and stationery	2.52	1.35	5.40	3.25	2.99
Advertisement and publicity	65.93	16.69	187.09	39.39	5.79
Director's fees, allowances and expenses	3.89	1.64	4.56	0.58	2.77
Auditor's fees and expenses Refer note no 38(29)	2.55	1.97	4.96	4.61	2.47
Legal and Professional charges	112.38	23.61	114.62	47.65	36.89
Insurance	0.47	0.94	2.42	1.19	1.02
Bad Debts	-	-	80.05	130.20	-
Credit rating expenses	7.20	9.30	16.96	19.80	16.32
Loss on sale of Property, Plant and equipment	4.47	0.80	1.30	0.43	0.43
Other expenditure	63.71	35.45	74.31	166.34	41.81
Total	**380.87**	**201.23**	**711.87**	**1,357.10**	**200.24**

Note - '38' - NOTES TO ACCOUNTS

1. Company Overview

The company is a Government Company registered with the Reserve Bank of India (RBI) as a Non−Banking Financial Company (NBFC). Any direction issued by RBI or other regulator are implemented as and when they become applicable. In terms of RBI Master Direction DNBR. PD. 008/03.10.119/2016−17 dated September 01, 2016, as amended IREDA is a "Systemically important non-deposit taking non-banking financial company". The registered address of the company is 1st Floor, India Habitat Centre, East Court, Core-4A, Lodhi Road, New Delhi 110003. The company has been accorded Schedule "A" status vide DPE letter dated 27.09.2023

On October 22, 2021, RBI introduced Scale Based Regulation (SBR) Framework for NBFCs. As per this framework Government owned NBFCs are still in the transition period and therefore decided not to subject them to the Upper Layer regulatory framework at this juncture and till that time the guidelines as applicable for the NBFC-Middle Layer (ML) shall be applicable to the Company. This framework has come into force from October 01, 2022. Furthermore, IREDA has been granted the status of Infrastructure Finance Company (IFC) by RBI vide letter dated March 13, 2023.

Various Non-Convertible Debt Securities of the Company are listed on National Stock Exchange of India Limited (NSE) and/or BSE Limited (formerly known as Bombay Stock Exchange). The Green Masala Bonds (matured on October 10, 2022) were listed on London Stock Exchange, Singapore Stock Exchange and NSE IFSC Limited (NSE International Exchange).

The Company had an Associate till March 26, 2022, hence the financial statement for the year ended March 31, 2021, is presented on consolidated basis and for the Half Year ended September 30, 2023 & September 30, 2022, for the year ended March 31, 2023 & year ended March 31, 2022 on standalone basis.

The Balance Sheet, the statement of change in equity and the statement of profit and loss are presented in the format prescribed under Division III of Schedule III of the Companies Act 2013 for NBFC that are required to comply with Ind AS. The statement of cash flow has been presented asper the requirement of Ind AS 7 −Statement of Cash Flow.

2. Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"

The Company, at each balance sheet date, assesses whether there is any indication of impairment of any asset and/or cash generating unit. If such indication exists, assets are impaired by comparing carrying amount of each asset and/or cash generating unit to the recoverable amount being higher of the net selling price or value in use. Value in use is determined from the present value of the estimated future cash flows from the continuing use of the assets. The Company has no impairment loss for the Half year ended September 30, 2023 & September 30, 2022 and for the year ended March 31, 2023; March 31, 2022 & March 31, 2021.

3. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

a) Contingent Liabilities:

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Claims against the company not acknowledged as Debt					
i) Taxation Demands:					
Income Tax cases[1]	2,236.63	2,140.09	2,377.65	2,121.21	2,121.20
Service Tax cases & Goods & Service Tax (GST) cases[2]	2,376.94	2,074.52	2,149.25	1,999.39	-
ii) Others	39.93[3]	32.46	34.87	30.36	27.47
b) Guarantees excluding financial guarantees					
i) Guarantees	2,246.53	5,995.14	4,861.14	6,680.38	5,490.00
ii) Letter of comfort / Payment Order Instrument issued and outstanding	4,096.32	12,151.23	13,665.42	7,857.92	5,001.00
c) Other money for which the company is contingently liable					
i) Property tax in respect of office building & residential buildings (Refer Note 38(27))	Undeterminable				

[1]**<u>Income Tax</u>**

Income Tax Cases - AY 1998-99 - AY 2009-10: -
This includes Income Tax cases for AY 1998-99 to AY 2002-03 were referred back on the direction of Hon'ble High Court of Delhi to Hon'ble ITAT and Hon'ble ITAT to the Assessing Officer and Income Tax cases for AY 2003-04 to AY 2009-10 were referred back on the direction of Hon'ble ITAT to the Assessing Officer (referred as AO). The AO had not passed the order on these cases within the statutory time limit prescribed under the Act. Earlier the company had deposited the taxes under protest on the basis of demand raised for the aforementioned Assessment Years.

In view of the foregoing, the demands paid over and above the tax payable as per returns filed became refundable. Accordingly, during Financial Year 2018- 19, a Writ petition has been filed with Hon'ble High Court to issue the necessary directions to the department to grant the refund for the aforementioned years. The Hon'ble High Court at Delhi had passed an interim order as under– "In the meanwhile, the respondents are permitted to proceed and complete the assessment orders and not give effect to it or take any coercive action." Final decision in the matter is still pending.

[2]**<u>Service Tax & Goods and Service Tax (GST) cases</u>**

The Company has received a Notice of Demand/Order from the Commissioner, Adjudication, Central Tax, GST Delhi East vide no GST-15/Adju/DE/IREDA/71/2017-18/3706-08 dated March 15, 2022, creating demands on IREDA amounting to ₹ 1,170.91 Million (excluding applicable interest) for Financial year 2012-13 to 2015-16. Although the company contends that entire demand is barred by limitation, it has provided for ₹ 121.16 Million (as on September 30, 2022 ₹ 113.82 Million) including interest on conservative basis. Based on law and facts in the matter, Service Tax demand (including interest) for the Half year ended September 30, 2023: ₹ 2,224.38 Million & September 30, 2022: ₹ 2,074.52 Million (for the year ended March 31, 2023 is ₹ 2,149.25 Million, for the year ended March 31, 2022: ₹ 1,999.39 Million; March 31, 2021: ₹ Nil) has been disclosed as contingent liability.

Further, since the company is a government enterprise, no mala fide intention can be attributed to it and thus, extended period of limitation ought not to be invoked based on certain decisions of Hon'ble Supreme Court in such cases and hence the penalty has not been considered for disclosure as a contingent liability. The company has filed an appeal with CESTAT, New Delhi on June 15, 2022 in the matter.

The company has also received order no. DE/NP/R-174/GST/ADC (NR)/005/2022-23 dated Feb 28, 2023 from the office of Additional Commissioner, Adjudication, Central Tax, GST Delhi East on recovery of GST on Guarantee Fee Paid to Government under Reverse Charge basis for the period: July 01, 2017 to July 26, 2018 raising a demand of ₹ 152.51 Million towards Tax, ₹ 152.56 Million towards penalty and applicable interest thereon. While the company has filed an appeal against the same before the Commissioner of Central Goods & Service Tax (Appeals-I), New Delhi on June 01, 2023, requisite provision towards the Tax and interest thereon amounting to ₹ 276.52 Million (as on September 30, 2022 ₹ Nil) has already been made in the books of accounts and ₹ 152.56 (as on September 30, 2022 ₹ Nil) has been disclosed as contingent liability.

[3]Includes Penalty of ₹ 0.26 Million (as at September 30, 2022: Nil, as at March 31, 2023: ₹ 0.26 Million, as at March 31, 2022: Nil; as at March 31, 2021: Nil) imposed by Ministry of Corporate Affairs (MCA) w.r.t. non-appointment of Woman Director. The company being a government company has no control over appointment of directors and hence the same has not been considered for provision. Also includes cases pending before Hon'ble High Court of Delhi in the form of Writ Petition against the order of disciplinary authority for dismissal of Staff from service of IREDA. There is no interim order in this matter. Also includes ₹ 3.51 Million pertaining to withheld PRP of ex-Functional Directors of the company pending clarification.

b) **Contingent Assets:** As at September 30, 2023 Undeterminable* & September 30, 2022 :Undeterminable* (March 31, 2023: Undeterminable*, March 31, 2022: Undeterminable*; March 31, 2021: Undeterminable*)

*The Madras High Court vide its order dated March 29, 2022, regarding recovery proceedings against Arunachalam Sugar Mills Ltd. (ASML), enabled IREDA to dispose off the assets of ASML for ₹ 71.00 Million plus Goods & Services Tax (GST) of 18%. The Company has already recovered ₹ 17.75 Million against the said sale along with GST amounting to ₹ 12.78 Million, which was duly deposited by the Company. IREDA also received ₹ 2.31 Million against the remaining outstanding of ₹ 53.25 Million through the order of the Hon'ble court. The balance of ₹ 50.94 Million is with the official liquidator (OL) who was directed by the Hon'ble court to call upon secured creditors and settle charges in favor the workmen (which are still undetermined) before transmitting the balance to the Company. The Company had ₹ 0.04 Million outstanding (actual principal outstanding is ₹ 484.01 Million) in its books of accounts against an equivalent provision being an NPA loss asset.

The sale of immovable project assets was confirmed at ₹ 385.00 Million through open public auction held on June 09, 2023 based on Hon'ble High Court order. The highest bidder has paid the entire amount before Official Liquidator and the company has handed over all the sale deeds pertaining to the sold land to OL enabling him to register the sale in favour of the highest bidder however, the highest bidder has moved an application before the Hon'ble High Court for change of Nomination and the same is pending till date. IREDA has submitted its claim before the Official Liquidator, Madras and provided Form 8 (Registration of charge certificate) to the OL since the same was required by it for proving that IREDA is the secured charge holder. The matter is being followed up closely with the office of OL for receiving of claim by IREDA.

4. Commitments

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021#
Capital Commitments:					
Estimated amount of contracts remaining to be executed on capital account	48.48	78.45	129.95	68.28	92.34
Total	**48.48**	**78.45**	**129.95**	**68.28**	**92.34**

In case of Associates amount is ₹ Nil

5. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at September 30, 2023 & September 30, 2022 (for year ended March 31, 2023: Nil; March 31, 2022: Nil; March 31, 2021: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1. Principal amount remaining unpaid as on Half Year /year	1.96	0.60	2.53	6.23	4.35
2. Interest due thereon remaining unpaid as on Half Year/year	-	-	-	-	-
3.Interest paid by the Company in terms of Section 16 of MSME Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the half year/year	-	-	-	-	-
4. Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006	-	-	-	-	-
5. Interest accrued and remaining unpaid as on half year/year end	-	-	-	-	-
6. Interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible Expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-	-

In case of Associate: Nil. The company has not received information from vendors regarding their status under Micro, Small and Medium Enterprises Development Act 2006. However as per available information, required disclosure under this act relating to unpaid amount as at the year-end has been given.

6. Disclosure in respect of Indian Accounting Standard (Ind AS)-21 "The Effects of changes in Foreign Exchange Rates"

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the Year ended March 31,2023	For the year ended March 31, 2022	For the year ended March 31, 2021
	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)	Debit/(Credit)
The amount of exchange differences net debited/(credited) to the Statement of	(300.49)	45.07	240.26	458.90	698.47

Profit & Loss					
The amount of exchange differences net debited/(credited) to the Other Comprehensive Income	464.01	148.18	2,205.88	(33.35)	272.21

7. Disclosure in respect of Indian Accounting Standard (Ind AS)-23 "Borrowing Costs"

(₹ in Million)

Particulars	**As at September 30, 2023**	**As at September 30, 2022**	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
Borrowing Costs	-	-	-	-	-

8. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

General description of various defined employee's benefits schemes is as under:

a) Provident Fund: The Company has recognized an expense in respect of contribution to Provident Fund at predetermined fixed percentage of eligible employees' salary and charged to statement of profit and loss as detailed under, which includes contribution of ₹ Nil Million for the Half year ended September 30, 2023 & ₹ Nil Million in September 30, 2022 (year ended March 31, 2023 : ₹ Nil; year ended March 31, 2022: ₹ 29.15 Million & March 31, 2021: ₹ Nil) as per sub- clause no. 28 of clause number 27AA i.e. Terms and conditions of exemption of The Employees' Provident Funds Scheme, 1952, towards loss to the trust due to diminishing in the value of the investment. Any amount recovered by the IREDA's PF Trust will be refunded to the company. The PF Trust does not have any deficit for the Half Year ended September 30, 2023 & September 30, 2022 and for the year ended March 31, 2023, March 31, 2022 & March 31, 2021. In view of recent order of the Hon'ble Supreme Court dated November 04, 2022, the company has given its employees, opportunity to exercise the joint option for EPS 1995 pension on actual / higher salary basis.

(₹ in Million)

Particulars	**For the Half Year ended September 30, 2023**	**For the Half Year ended September 30, 2022**	**For the year ended March 31,2023**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
Provident Fund Contribution	13.43	12.37	25.14	51.97	21.60

b) National Pension Scheme (NPS)/Superannuation Benefit Fund (Defined Contribution Fund): The Company has recognized an expense in respect of contribution to National Pension Scheme (NPS) at predetermined fixed percentage of eligible employees' salary and charged to statement of profit and loss.

(₹ in Million)

Particulars	**For the Half Year ended September 30, 2023**	**For the Half Year ended September 30,2022**	**For the year ended March 31,2023**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**
NPS/Superannuation Benefit Fund	10.11	9.04	18.56	15.63	19.46

Other Benefits:

c) Earned Leave benefit (EL): Accrual 30 days per year. Encashment 2 times in a calendar year while in service. Encashment on retirement or superannuation maximum 300 days inclusive of HPL. The company has recognized towards earned leave as per Actuarial Valuation & Company's best estimates as under:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31,2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Earned leave Benefit	14.67	(2.50)	7.28	17.44	17.28

d) Half Pay Leave benefit (HPL): Accrual 10 full days per year. No encashment while in service. Encashment on retirement or superannuation maximum 300 days inclusive of EL. The company has recognized towards half pay leave as per Actuarial Valuation & Company's best estimates as under:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Sick Leave	7.35	0.38	3.79	5.60	5.47

e) Gratuity: Accrual of 15 days salary for every completed year of service. Vesting period is 5 years and payment is limited to ₹ 2.00 Million subsequent to the pay revision applicable from January 01, 2017. The company has recognized towards gratuity as per Actuarial Valuation & Company's best estimates as under:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31,2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Gratuity	4.92	6.02	6.02	7.29	6.53

f) Post-Retirement Medical Benefit (PRMB): The Company contributes to the defined benefit plans for Post - Retirement Medical Scheme using projected unit credit method of actuarial valuation. Under the scheme eligible ex-employees and eligible dependent family members are provided medical facilities. The company has recognized towards PRMB as per Actuarial Valuation & Company's best estimates as under:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31,2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Post−Retirement Medical Scheme	7.89	6.57	13.62	22.01	24.10

g) Baggage Allowance: At the time of superannuation, employees are entitled to settle at a place of their choice, and they are eligible for Baggage Allowance. The company has recognized towards baggage allowance as per Actuarial Valuation & Company's best estimates as under:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31,2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Baggage Allowance	0.15	(0.08)	0.28	0.35	0.19

h) Farewell Gift: At the time of superannuation of employees, Company provides farewell gift to employee as per policy framed for this purpose. Value of gift is determined on the basis on designation of the superannuating employee. The company has recognized towards farewell gift as per Actuarial Valuation & Company's best estimates as under:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Farewell Gift*	0.09	0.07	0.13	1.11	-

*The company has started creating provision towards farewell gift after March 31, 2021

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

- **Change in the Present value of the obligation.**

(₹ in Million)

Particulars	Financial Year Ended/Half Year ended	Gratuity	Sick Leave	Earned Leave	Baggage	PRMB	Farewell Gift*
		(Funded)	(Unfunded)				
Present Value of Obligation as on the beginning	September 30, 2023	111.48	41.46	69.71	2.16	138.43	1.10
	September 30, 2022	111.58	43.56	66.46	2.10	115.35	1.08
	2022-23	115.70	43.56	70.37	2.10	115.35	1.08
	2021-22	101.73	37.96	52.57	1.76	99.42	0.99
	2020-21	99.13	34.72	40.55	1.57	78.95	–
Interest Cost	September 30, 2023	4.11	1.53	2.57	0.08	5.11	0.04
	September 30, 2022	4.03	1.57	2.40	0.08	4.16	0.04
	2022-23	8.06	3.15	4.80	0.15	8.33	0.08
	2021-22	6.95	2.58	3.57	0.12	6.66	0.05
	2020-21	6.74	2.36	2.76	0.11	5.37	–
Current service cost	September 30, 2023	3.04	4.51	6.94	0.07	2.79	0.05
	September 30, 2022	2.79	1.38	3.31	0.06	2.41	0.03
	2022-23	5.83	3.04	7.35	0.13	5.30	0.06
	2021-22	5.61	2.89	7.40	0.14	4.75	0.06
	2020-21	5.51	2.75	7.13	0.12	4.39	–
Past Service cost	September 30, 2023	-	-	-	-	-	-
	September 30, 2022	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-
	2021-22	–	–	–	–	–	–
	2020-21	–	–	–	–	–	–
Benefits Paid	September 30, 2023	(11.38)	(4.62)	(8.49)	(0.01)	(1.93)	(0.01)
	September 30, 2022	(8.00)	(3.37)	(3.78)	-	(2.19)	(0.05)
	2022-23	(12.71)	(5.90)	(7.94)	(0.08)	(5.72)	(0.14)
	2021-22	–	–	(3.56)	–	(6.08)	–
	2020-21	(10.05)	(2.23)	(5.26)	-	(3.42)	-
Actuarial Loss/ (gain) on obligations	September 30, 2023	0.16	1.31	5.17	(0.11)	3.38	(0.26)
	September 30, 2022	(2.74)	(3.33)	(8.21)	0.22	0.69	0.09
	2022-23	(5.40)	(2.39)	(4.87)	(0.23)	15.18	(0.03)
	2021-22	(2.71)	0.19	6.47	0.09	10.60	(0.03)
	2020-21	0.39	0.36	7.39	(0.03)	14.14	-
Present Value of obligation at End	September 30, 2023	107.42	49.38	80.68	2.18	147.77	0.92
	September 30, 2022	107.66	39.81	61.63	2.02	120.43	1.01
	2022-23	111.48	41.46	69.71	2.16	138.43	1.10
	2021-22	111.58	43.56	66.46	2.10	115.35	1.08
	2020-21	101.73	37.96	52.57	1.76	99.42	-

*The company has started creating provision towards farewell gift after March 31, 2021

❖ **Change in Fair Value of Planned assets**

(₹ in Million)

Particulars	Financial Year Ended/Half Year ended	Gratuity (Funded)	Sick Leave (Unfunded)	Earned Leave	Baggage	PRMB	Farewell Gift*
Fair value of plan assets at beginning	September 30, 2023	118.88	-	-	-	-	-
	September 30, 2022	116.74	-	-	-	-	-
	2022-23	116.74	-	-	-	-	-
	2021-22	101.98	–	–	–	–	–
	2020-21	93.71	–	–	–	–	–
Difference inopening fund	September 30, 2023	-	-	-	-	-	-
	September 30, 2022	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-
	2021-22	-	–	–	–	–	–
	2020-21	–	–	–	–	–	–
Actual Return onPlan assets	September 30, 2023	2.41	-	-	-	-	-
	September 30, 2022	4.21	-	-	-	-	-
	2022-23	8.43	-	-	-	-	-
	2021-22	7.14	–	–	–	–	–
	2020-21	6.86	–	–	–	–	–
Mortality Charges	September 30, 2023	(0.06)	-	-	-	-	-
	September 30, 2022	(0.06)	-	-	-	-	-
	2022-23	(0.48)	-	-	-	-	-
	2021-22	(0.12)	–	–	–	–	–
	2020-21	(0.10)	–	–	–	–	–
Employer Contributions	September 30, 2023	10.74	-	-	-	-	-
	September 30, 2022	6.91					
	2022-23	6.91	-	-	-	-	-
	2021-22	7.14	–	–	–	–	–
	2020-21	11.56	–	–	–	–	–
Benefits paid	September 30, 2023	(11.38)	-	-	-	-	-
	September 30, 2022	(8.00)	-	-	-	-	-
	2022-23	(12.71)	-	-	-	-	-
	2021-22	–	–	–	–	–	–
	2020-21	(10.05)	–	–	–	–	–
Fair value of planassets at end	September 30, 2023	120.59	-	-	-	-	-
	September 30, 2022	119.81					
	2022-23	118.88	-	-	-	-	-
	2021-22	116.74	–	–	–	–	–
	2020-21	101.98	–	–	–	–	–

~~* The company has started creating provision towards farewell gift after March 31, 2021~~

❖ **Amount recognized in Balance Sheet.**

(₹ in Million)

Particulars	Financial Year Ended/Half Year ended	Gratuity (Funded)	Sick Leave (Unfunded)	Earned Leave	Baggage	PRMB	Farewell Gift*
Estimated present value of obligations as at the end	September 30, 2023	107.42	49.38	80.68	2.18	147.77	0.92
	September 30, 2022	107.66	39.81	61.63	2.02	120.43	1.01
	2022-23	111.48	41.46	69.71	2.16	138.43	1.10
	2021-22	111.58	43.56	66.46	2.10	115.35	1.08
	2020-21	101.73	37.96	52.57	1.76	99.42	–
Fair value of plan	September 30, 2023	120.59	-	-	-	-	-

assets as on the end	September 30, 2022	119.81	-	-	-	-	-
	2022-23	118.88	-	-	-	-	-
	2021-22	116.74	-	-	-	-	-
	2020-21	101.98	–	–	–	–	–
Net Liability recognized inbalance sheet	September 30, 2023	0.00	(49.38)	(80.68)	(2.18)	(147.77)	(0.92)
	September 30, 2022	12.15	(39.81)	(61.63)	(2.02)	(120.43)	(1.01)
	2022-23	-	(41.46)	(69.71)	(2.16)	(138.43)	(1.10)
	2021-22	–	(43.56)	(66.46)	(2.10)	(115.35)	(1.08)
	2020-21	0.26	(37.96)	(52.57)	(1.76)	(99.42)	–

* The company has started creating provision towards farewell gift after March 31, 2021

❖ **Amount Recognized in Statement of Profit and Loss**

(₹ in Million)

Particulars	**Financial Year Ended/Half Year ended**	**Gratuity**	**Sick Leave**	**Earned Leave**	**Baggage**	**PRMB**	**Farewell Gift***
		(Funded)	(Unfunded)				
Current service cost	September 30, 2023	3.04	4.51	6.94	0.07	2.79	0.05
	September 30, 2022	2.79	1.38	3.31	0.06	2.41	0.03
	2022-23	5.83	3.04	7.35	0.13	5.30	0.06
	2021-22	5.61	2.84	7.40	0.14	4.75	0.06
	2020-21	5.51	2.75	7.13	0.12	4.39	–
Past Service Costincluding curtailment (Gain)/Losses	September 30, 2023	-	-	-	-	-	-
	September 30, 2022	-	-	-	-	-	-
	2022-23	-	-	-	-	-	-
	2021-22	–	–	–	–	–	–
	2020-21	–	–	–	–	–	–
Interest cost	September 30, 2023	4.11	1.53	2.57	0.08	5.11	0.04
	September 30, 2022	4.03	1.57	2.40	0.08	4.16	0.04
	2022-23	8.06	3.15	4.80	0.15	8.33	0.08
	2021-22	6.95	2.58	3.57	0.12	6.66	0.05
	2020-21	6.74	2.36	2.76	0.11	5.37	–
Expected return on plan asset	September 30, 2023	4.39	-	-	-	-	-
	September 30, 2022	4.21	-	-	-	-	-
	2022-23	8.43	-	-	-	-	-
	2021-22	6.97	–	–	–	–	–
	2020-21	6.37	–	–	–	–	–
Net Actuarial (Gain)/ loss recognized	September 30, 2023	4.92	1.31	5.17	0.11	(3.38)	0.26
	September 30, 2022	(2.74)	3.33	(8.21)	-	0.69	-
	2022-23	-	(2.39)	(4.87)	(0.23)	(15.18)	(0.03)
	2021-22	–	0.19	6.47	–	–	–
	2020-21	–	0.36	7.39	–	–	–
Expense recognised in the income statement	September 30, 2023	2.76	7.35	14.67	0.15	7.89	0.09
	September 30, 2022	2.60	(0.38)	(2.50)	0.14	6.58	0.07
	2022-23	5.46	3.79	7.28	0.28	13.62	0.13
	2021-22	10.66	5.60	17.44	0.26	11.41	0.11
	2020-21	5.88	5.47	17.28	0.19	24.10	–
Amount recognised in the Other Comprehensive Income	September 30, 2023	-	1.31	5.17	0.11	(3.38)	0.26
	September 30, 2022	2.68	-	-	0.22	(0.69)	0.09
	2022-23	0.56	-	-	0.23	(15.18)	(0.03)
	2021-22	(3.37)	–	–	(0.09)	(10.60)	0.03
	2020-21	–	–	–	0.03	(14.14)	–

* The company has started creating provision towards farewell gift after March 31, 2021

❖ **Actuarial Assumption**

Particulars	Financial Year Ended/Half year ended	Gratuity	Sick Leave	Earned Leave	Baggage	PRMB	Farewell Gift*
		(Funded)	(Unfunded)				
Discount rate	September 30, 2023	7.33 %	7.33 %	7.33 %	7.33 %	7.33 %	7.33 %
	September 30, 2022	7.55%	7.55%	7.55%	7.55%	7.55%	7.55%
	2022-23	7.38%	7.38%	7.38%	7.38%	7.38%	7.38%
	2021-22	7.22%	7.22%	7.22%	7.22%	7.22%	7.22%
	2020-21	6.79%	6.79%	6.79%	6.79%	6.79%	-
Rate of salary increase	September 30, 2023	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
	September 30, 2022	6.50%	6.50%	6.50%	6.50%	6.50%	6.50%
	2022-23	6.50%	6.50%	6.50%	6.50%	6.50%	-
	2021-22	6.50%	6.50%	6.50%	6.50%	6.50%	-
	2020-21	6.50%	6.50%	6.50%	6.50%	6.50%	-
Method used	September 30, 2023 September 30, 2022 2022-23 2021-22 2020-21	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)	Projected Unit Credit (PUC)

* The company has started creating provision towards farewell gift after March 31, 2021

❖ **Sensitivity Analysis of the defined benefit obligation**

For Half Year ended September 30, 2023 **(₹ in Million)**

A) Impact of the change in discount rate	Gratuity	Sick Leave	Earned Leave	Baggage	PRMB	Farewell Gift*
Present value of obligation at the end of the Half Year	107.42	49.38	80.68	2.18	147.77	0.92
Impact due to increase of 0.50%	(4.25)	(1.73)	(3.91)	(0.09)	(5.10)	(0.03)
Impact due to Decrease of 0.50%	4.57	1.83	4.21	0.09	5.36	0.04
B) Impact of the change in Salary increase	**Gratuity**	**Sick Leave**	**Earned Leave**	**Baggage**	**PRMB**	**Farewell Gift***
Present value of obligation at the end of the Half Year	107.42	49.38	80.68	2.18	147.77	-
Impact due to increase of 0.50%	1.96	1.84	4.23	0.10	5.43	-
Impact due to Decrease of 0.50%	(2.05)	(1.74)	(3.94)	(0.09)	(5.22)	-

For Half Year ended September 30, 2022 **(₹ in Million)**

A) Impact of the change in discount rate	Gratuity	Sick Leave	Earned Leave	Baggage	PRMB	Farewell Gift*
Present value of obligation at the end of the Half Year	107.66	39.81	61.63	2.02	120.43	1.01
Impact due to increase of 0.50%	(4.01)	(1.23)	(2.72)	(0.08)	(4.16)	(0.04)
Impact due to Decrease of 0.50%	4.31	1.30	2.92	0.09	4.37	0.04
B) Impact of the change in Salary increase	**Gratuity**	**Sick Leave**	**Earned Leave**	**Baggage**	**PRMB**	**Farewell Gift***
Present value of obligation at the end of the Half Year	107.66	39.81	61.63	-	120.43	-
Impact due to increase of 0.50%	1.90	1.31	2.95	-	4.43	-
Impact due to Decrease of 0.50%	(2.04)	(1.30)	(2.74)	-	(4.25)	-

FY 22-23 **(₹ in Million)**

A) Impact of the change in discount rate	Gratuity	Sick Leave	Earned Leave	Baggage	PRMB	Farewell Gift*
Present value of obligation at the end of the year	111.48	41.46	69.71	2.16	138.43	1.10
Impact due to increase of 0.50%	(4.19)	(1.28)	(3.08)	(0.09)	(4.78)	(0.04)
Impact due to Decrease of 0.50%	4.51	1.35	3.32	0.09	5.02	0.04
B) Impact of the change in Salary increase	**Gratuity**	**Sick Leave**	**Earned Leave**	**Baggage**	**PRMB**	**Farewell Gift***
Present value of obligation at the end of the year	111.48	41.46	69.74	2.16	138.43	-
Impact due to increase of 0.50%	1.97	1.36	3.34	0.09	5.09	-
Impact due to Decrease of 0.50%	(1.99)	(1.29)	(3.10)	(0.09)	(4.89)	-

FY 21-22 **(₹ in Million)**

A) Impact of the change in discount rate	Gratuity	Sick Leave	Earned Leave	Baggage	PRMB	Farewell Gift*
Present value of obligation at the end of the year	111.58	43.56	66.46	2.10	115.35	1.08
Impact due to increase of 0.50%	(4.10)	(1.39)	(2.99)	(0.08)	(3.98)	(0.04)
Impact due to Decrease of 0.50%	4.41	1.48	3.23	0.09	4.18	0.04
B) Impact of the change in Salary increase	**Gratuity**	**Sick Leave**	**Earned Leave**	**Baggage**	**PRMB**	**Farewell Gift***
Present value of obligation at the end of the year	111.58	43.56	66.46	2.10	115.35	1.08
Impact due to increase of 0.50%	1.96	1.48	3.24	0.09	4.24	-
Impact due to Decrease of 0.50%	(2.10)	(1.40)	(3.01)	(0.09)	(4.07)	-

FY 20-21 **(₹ in Million)**

A) Impact of the change in discount rate	Gratuity	Sick Leave	Earned Leave	Baggage	PRMB
Present value of obligation at the end of the year	101.73	37.96	52.57	1.76	99.42
Impact due to increase of 0.50%	(4.08)	(1.37)	(2.54)	(0.07)	(3.43)
Impact due to Decrease of 0.50%	4.38	1.46	2.75	0.08	3.61
B) Impact of the change in Salary increase	**Gratuity**	**Sick Leave**	**Earned Leave**	**Baggage**	**PRMB**
Present value of obligation at the end of the year	101.73	37.96	52.57	1.76	99.42
Impact due to increase of 0.50%	2.29	1.45	2.75	0.08	3.65
Impact due to Decrease of 0.50%	(2.28)	(1.37)	(2.55)	(0.07)	(3.51)

*Sensitivity analysis was not required to be given for FY 20-21 as the company has started creating the provision in this respect after March 31, 2021 based on actuarial valuation in respect of farewell gifts and the amount involved is not material.

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

<u>In case of Associate: Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"</u>
<u>Defined Contributions Plans</u>

Company's employees are covered by Provident Fund/ESI to which the Company makes a defined contribution measured as a fixed percentage of basic salary. During the year Company has made following contributions:

(₹ in Millions)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's contribution to Provident Fund	NA	NA	NA	NA	0.10
Employer's contribution to Employees State Insurance	NA	NA	NA	NA	0.03

Defined Benefit Plans

The Company has not introduced any formal defined benefit plans for gratuity, etc. Accordingly, change in benefit obligations, change in return on plan assets, cost for the period, etc. cannot be ascertained. However, Gratuity Liability at the end of Financial Year is ascertained and stated in accounts.

(₹ in Millions)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Gratuity Payable	NA	NA	NA	NA	0.11
Leave Encashment Payable	NA	NA	NA	NA	0.11

9. Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

(i) Operating segments

Based on the "management approach" as defined in Ind AS 108, the CMD, the Chief Operating Decision Maker (CODM) evaluates the performance and allocates resources based on an analysis of various performance indicators by business segments. The accounting principles used in the preparation ofthe restated standalone and consolidated financial statements are consistently applied to record revenue and expenditure in individual business segment and are as set out in the material accounting policies.

The Company operates in 2 segments − Financing activities in the Renewable Energy (RE) & Energy Efficiency (EE) sector and Generation of power through Solar Plant operations at Kasargod, Kerala. Major revenue for the Company comes from the segment of financing activities in the RE & EE sector. The other operating segment −Generation of power through Solar Plant is not a reportable segment. The Company operates in India, hence it is considered to operate only in domestic segment. As such considered as a single business/geographical segment for the purpose of Segment Reporting.

(ii) Information about major customers

There is no single external customer contributing 10 percent or more of our revenue for the Half Year ended September 30, 2023 & September 30, 2022 (for the year ended March 31, 2023: ₹ Nil; for the year ended March 31, 2022: ₹ Nil; for the year ended March 31, 2021: ₹ Nil)

(iii) Geographical Information

Revenue from external customers by location of operations and information about its non-current assets* by location of assets are as follows:

(₹ in Million)

	Revenue from external customers					Non-Current Assets*				
Particulars	**For the Half Year ended September 30,2023**	**For the Half Year ended September 30,2022**	**For the Year ended March 31, 2023**	**For the year ended March 31, 2022**	**For the year ended March 31, 2021**	**As at September 30, 2023**	**As at September 30, 2022**	**As at March 31, 2023**	**As at March 31, 2022**	**As at March 31, 2021**
India**	23,198.33	15,772.71	34,830.44	28,741.55	26,577.44	20,038.82	20,088.37	20,116.57	20,180.76	20,315.74
Outside India	-	-	-	-	-	-		-	-	-
Total	**23,198.33**	**15,772.71**	**34,830.44**	**28,741.55**	**26,577.44**	**20,038.82**	**20,088.37**	**20,116.57**	**20,180.76**	**20,315.74**

*This amount includes property, plant and equipment, capital work-in-progress, investment property, Right to use asset, intangible assets under development, intangible assets, advance for capital expenditure and GOI fully Serviced Bonds money receivable.

** Includes an amount of ₹ (113.21) Million for the Half year ended September 30, 2023 & ₹ 100.68 Million for the Half year ended September 30, 2022 [₹ 124.28 Million as on March 31, 2023, (₹14.74) Million as on March 31, 2022, (₹124.73) Million as on March 31, 2021) pertaining to Net gain/ (loss) on fair value change of Derivatives which is not considered as a part of revenue from external customers.

(iv) Revenue from major products

Revenue from external customers for each product and service are as follows:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Income	22,856.86	15,329.42	33,738.27	27,132.21	25,643.38
Fees and Commission Income	208.65	161.35	373.33	1,063.86	337.73
Sale of power	139.80	118.34	269.04	284.89	274.17

10. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

A) Disclosures for Other than Govt. and Govt. Related Entities

i. List of Related Party

For the Half Year ended September 30, 2023

Key Management Personnel (KMP)		
Name of Related Party	**Type of Relationship**	**Period**
Shri Pradip Kumar Das	Chairman & Managing Director[1]	01.04.2023 to 30.09.2023
Shri Padam Lal Negi	Director - Government Nominee[5]	01.04.2023 to 30.09.2023
Shri Ajay Yadav	Director - Government Nominee[5]	01.04.2023 to 30.09.2023
Shri Shabdsharan N. Brahmbhatt	Director - Independent Director[6]	01.04.2023 to 30.09.2023
Dr. Jagannath C. M. Jodidhar	Director - Independent Director[7]	01.04.2023 to 30.09.2023
Shri Ram Nihal Nishad	Director -Independent Director[8]	01.04.2023 to 30.09.2023
Smt. Rohini Rawat	Director -Independent Director[8]	01.04.2023 to 30.09.2023
Dr. R. C. Sharma	GM (F&A) & Chief Financial Officer	01.04.2023 to 30.09.2023
Smt. Ekta Madan	Company Secretary & Compliance Officer[9]	01.04.2023 to 30.09.2023

Note: Dr. Bijay Kumar Mohanty has been appointed as Director (Finance) of the Company for a period of five years.w.e.f.12th October 2023 (A/N) i.e., assumption of charge of the post, or until further orders, whichever is earlier in pursuance to MNRE Order no. 1/22/2017-IREDA dated 12th October 2023. Further, in the Board Meeting held on October 16, 2023, Dr. Bijay Kumar Mohanty, Director (Finance) has been appointed as Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company in place of Dr. R.C. Sharma, GM (F&A) & CFO w.e.f. the conclusion of the Board meeting held on October 16, 2023.

For the Half Year ended September 30, 2022

Key Management Personnel (KMP)		
Name of Related Party	**Type of Relationship**	**Period**
Shri Pradip Kumar Das	Chairman & Managing Director & Director (Finance)[1]	01.04.2022 to 30.09.2022
Shri Chintan Navinbhai Shah	Director- Technical[2]	01.04.2022 to 30.09.2022
Shri Vimalendra Anand Patwardhan	Director - Government Nominee[3]	01.04.2022 to 30.09.2022
Shri Dinesh Dayanand Jagdale	Director - Government Nominee[4]	01.04.2022 to 30.09.2022
Shri Shabdsharan N. Brahmbhatt	Director - Independent Director[6]	01.04.2022 to 30.09.2022
Dr. Jagannath C. M. Jodidhar	Director - Independent Director[7]	01.04.2022 to 30.09.2022
Dr. R. C. Sharma	GM(F&A) & Chief Financial Officer	01.04.2022 to 30.09.2022
Shri Surender Suyal	Company Secretary & Chief Compliance Officer[9]	01.04.2022 to 30.09.2022

For the Year Ended 31.03.2023

Key Management Personnel (KMP)		
Name of Related Party	**Type of Relationship**	**Period**
Shri Pradip Kumar Das	Chairman & Managing Director & Director (Finance)[1]	01.04.2022 to 31.03.2023
Shri Chintan Navinbhai Shah	Director- Technical[2]	01.04.2022 to 04.03.2023
Shri Vimalendra Anand Patwardhan	Director - Government Nominee[3]	01.04.2022 to 25.10.2022
Shri Dinesh Dayanand Jagdale	Director - Government Nominee[4]	01.04.2022 to 07.02.2023
Shri Padam Lal Negi	Director - Government Nominee[5]	07.02.2023 to 31.03.2023
Shri Ajay Yadav	Director - Government Nominee[5]	14.02.2023 to 31.03.2023
Shri Shabdsharan Brahmbhatt	Director - Independent Director[6]	01.04.2022 to 31.03.2023
Dr. Jagannath C. M. Jodidhar	Director - Independent Director[7]	01.04.2022 to 31.03.2023
Shri Ram Nihal Nishad	Director -Independent Director[8]	09.03.2023 to 31.03.2023
Smt. Rohini Rawat	Director -Independent Director[8]	09.03.2023 to 31.03.2023
Dr. R. C. Sharma	GM (F&A) & Chief Financial Officer	01.04.2022 to 31.03.2023
Shri Surender Suyal	Company Secretary & Chief Compliance Officer[9]	01.04.2022 to 31.10.2022
Smt. Ekta Madan	Company Secretary & Compliance Officer[9]	01.11.2022 to 31.03.2023

For the Year Ended 31.03.2022

Associate		
Name of Related Party	**Type of Relationship**	**Period**
M/s M.P. Windfarms Limited	A joint sector unlisted public limited company in collaboration with M.P. Urja Vikas Nigam Limited (25%), Consolidated Energy Consultants Limited (49.5%), IREDA (24%) and Others (1.5%).	01.04.2021 to 26.03.2022^

^ Refer Note 38(26)

Key Management Personnel (KMP)		
Name of Related Party	**Type of Relationship**	**Period**
Shri Pradip Kumar Das	Chairman & Managing Director & Director (Finance)[1]	01.04.2021 to 31.03.2022
Shri Chintan Navinbhai Shah	Director- Technical[2]	01.04.2021 to 31.03.2022
Shri Bhanu Pratap Yadav	Director - Government Nominee[10]	01.04.2021 to 08.07.2021
Shri Vimalendra Anand Patwardhan	Director - Government Nominee[3]	01.04.2021 to 31.03.2022
Shri Dinesh Dayanand Jagdale	Director - Government Nominee[4]	08.07.2021 to 31.03.2022
Shri Shabdsharan Brahmbhatt	Director - Independent Director[6]	28.01.2022 to 31.03.2022
Dr. Jagannath C. M. Jodidhar	Director - Independent Director[7]	31.03.2022 to 31.03.2022
Dr. R. C. Sharma	GM (F&A) & Chief Financial Officer	01.04.2021 to 31.03.2022
Shri Surender Suyal	Company Secretary[8]	01.04.2021 to 31.03.2022

For the Year Ended 31.03.2021

Associate		
Name of Related Party	**Type of Relationship**	**Period**
M/s M.P. Windfarms Limited	A joint sector unlisted public limited company in collaboration with M.P. Urja Vikas Nigam Limited (25%), Consolidated Energy Consultants Limited (49.5%), IREDA (24%) and Others (1.5%).	01.04.2020 to 31.03.2021

Key Management Personnel (KMP)		
Name of Related Party	**Type of Relationship**	**Period**
Shri Pradip Kumar Das	Chairman & Managing Director & Director (Finance)[1]	06.05.2020 to 31.03.2021
Shri Bhanu Pratap Yadav	Chairman & Managing Director[10]	01.04.2020 to 06.05.2020
Shri Bhanu Pratap Yadav	Director - Government Nominee[10]	12.06.2020 to 31.03.2021
Shri Chintan Navinbhai Shah	Director- Finance [11]	01.04.2020 to 31.03.2021
Shri Amitesh Kumar Sinha	Director - Government Nominee	01.04.2020 to 12.06.2020
Shri Vimalendra Anand Patwardhan	Director - Government Nominee[3]	01.04.2020 to 31.03.2021
Shri Abhishek Mahawar	Director - Independent Director	01.04.2020 to 13.09.2020

Ms. Madhusri M. Swamy	Director - Independent Director	01.04.2020 to 18.03.2021
Dr. Gangidi M. Reddy	Director - Independent Director	01.04.2020 to 18.03.2021
Shri Sanjay Jain	Director - Independent Director	01.04.2020 to 01.08.2020
Dr. R. C. Sharma	GM (F&A) & Chief Financial Officer	01.04.2020 to 31.03.2021
Shri Surender Suyal	Company Secretary[9]	01.04.2020 to 31.03.2021

[1] Shri Pradip Kumar Das has been appointed as Chairman & Managing Director (CMD), IREDA w.e.f. May 06, 2020 and was entrusted with additional charge of Director (Finance) w.e.f. May 06, 2020. Subsequently, MNRE extended the post of additional charge of Director (Finance) to Shri Pradip Kumar Das, CMD, IREDA from time to time and last extended w.e.f. May 06, 2022 for a period of six months which was valid till Nov 05, 2022. MNRE vide Office Order No.1/13/2017-IREDA dated April 10, 2023 entrusted the additional charge for the post of Director (Technical), IREDA to Shri Pradip Kumar Das, Chairman & Managing Director, IREDA for a period of three months w.e.f. March 05, 2023 or till the appointment of a regular incumbent, or until further orders, whichever is earliest.

[2]Shri Chintan N. Shah, Director (Technical) has completed his tenure on March 4, 2023 (a/n). Accordingly, he ceased to be director of IREDA.

[3]MNRE vide its letter dated 31.10.2022 has informed that Central Deputation tenure of Shri Vimalendra Anand Patwardhan, Former JS & FA, and MNRE has been completed on 25.10.2022. Accordingly, Shri Vimalendra Anand Patwardhan ceased to be Govt. Nominee Director of IREDA.

[4] MNRE vide its order no.340/85/2017-IREDA dated February 7, 2023, has informed that Shri Dinesh Dayanand Jagdale, Director (Govt Nominee) Ceased to be Director of IREDA w.e.f February 7, 2023.

[5]MNRE vide its order no.340/85/2017-IREDA dated February 7, 2023, has appointed Shri Padam Lal Negi, JS& FA, MNRE and Shri Ajay Yadav, JS, MNRE as Govt. Nominee Directors on the Board of IREDA. However, DIN of Shri Ajay Yadav has been obtained from Registrar of Companies on February 14, 2023. Accordingly, Shri Ajay Yadav is deemed to be director of IREDA w.e.f February 14, 2023.

[6]Ministry of New and Renewable Energy (MNRE) vide its order no. 340-11/1/2018-IREDA dated January 21, 2022 appointed Shri Shabdsharan Brahmbhatt, as Part-Time Non-Official Director (Independent Director) on the Board of IREDA for a period of three years with immediate effect. However, as DIN has been obtained from Registrar of Companies on January 28, 2022. Accordingly, he is deemed to be Director W.e.f. January 28, 2022.

[7]Ministry of New and Renewable Energy (MNRE) vide its order no. 340-11/1/2018-IREDA dated March 28, 2022 appointed Shri Chennakesava Murthy Jaganath, as Non-Official Director (Independent Director) on the Board of IREDA for a period of three years from the date of the order. However, as DIN has been obtained from Registrar of Companies on March 31, 2022. Accordingly, he is deemed to be Director W.e.f. March 31, 2022. Also, the name of Shri Chennakesava Murthy Jaganath has been updated as Dr. Jagannath C. M. Jodidhar in MCA records on September 29, 2022.

[8]Ministry of New and Renewable Energy (MNRE) vide its order no. 340-11/1/2018-IREDA dated March 06, 2023, has appointed Shri Ram Nihal Nishad & Smt. Rohini Rawat, as Part-Time Non-Official Directors (Independent Directors) on the Board of IREDA for a period of three years w.e.f. the date of issue of the order or until further orders, whichever event occurs earlier. However, DIN of both the Directors have been obtained from Registrar of Companies on March 09, 2023. Accordingly, they are deemed to be director of IREDA w.e.f. March 09, 2023.

[9]Shri Surendra Suyal, (Company Secretary) was appointed as the Chief, Internal Audit by the Board in its 361st meeting w.e.f. May 23, 2022. Pursuant to retirement of Shri Surendra Suyal on October 31, 2022, Smt. Ekta Madan, Sr. Manager (Corporate Affairs) has been designated as Company Secretary cum Compliance Officer in compliance to the provisions of Section 203 of Companies Act, 2013 and Shri Som Pal, GM (Internal Audit) has been appointed as Chief Compliance Officer W.e.f. November 01, 2022. Smt. Punnu Grover, DGM (Finance & Accounts) has been appointed as Chief Compliance Officer of IREDA w.e.f. July 01, 2023.

[10] Shri Bhanu Pratap Yadav, Joint Secretary, MNRE Director (Government Nominee, IREDA) was assigned additional charge of Chairman & Managing Director (CMD), IREDA w.e.f. January 02, 2020. Post appointment of Shri Pradip Kumar Das as Chairman and Managing Director, IREDA, Shri Bhanu Pratap Yadav ceased to be CMD, IREDA w.e.f. May 06, 2020. Thereafter, Ministry of New & Renewable Energy (MNRE) vide letter dated June 12, 2020 appointed Shri Bhanu Pratap Yadav as Director (Government Nominee) in place of Shri Amitesh K Sinha, JS, MNRE. MNRE vide letter dated November 22, 2021 has extended the additional charge of the post of Director (Finance), IREDA entrusted to Shri Pradip Kumar Das, Chairman & Managing Director, IREDA w.e.f., November 06, 2021 for a period of six months or till the appointment of a regular incumbent.

[11] Shri Chintan Shah, Director (Technical) was entrusted with additional charge of Director (Finance) from February 01, 2020 for a period of 3 months or until the appointment of regular incumbent or until further orders whichever is earlier. Further, MNRE extended his additional charge of Director (Finance) from May 01, 2020 to May 05, 2020. Thereafter, Shri Pardip Kumar Das, who was appointed as Chairman & Managing Director (CMD), IREDA, w.e.f. May 06, 2020, was entrusted with additional charge of Director (Finance) w.e.f. May 06, 2020.

Trusts / Funds under control of the Company

- IREDA Employees Contributory Provident Fund Trust
- IREDA Employees Gratuity Fund Trust
- IREDA Employee Benevolent Fund
- IREDA Exchange Risk Administration Fund (Non-Operational from FY 2021-22)
- IREDA Employees Defined Contribution Superannuation Trust (Non-Operational from FY 2021-22)

ii. Compensation to Related Parties

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March31, 2021
Short−term benefits					
−Sitting Fee (to Independent Directors)	3.89	1.64	4.56	0.58	2.77
−Others (Salary)	7.22	10.67	22.65	26.26	18.54
Post−employment benefits	0.85	1.28	2.37	2.34	2.08
Total	**11.96**	**13.55**	**29.58**	**29.18**	**23.39**

Note:

- The Chairman and Managing Director, Director (Finance) and Director (Technical) have also been allowed staff car including private journey upto a ceiling of 1000 Kms. per month on payment of monthly charges as per Department of Public Enterprises guidelines.
- Contribution towards Gratuity Fund, for Functional Directors is not ascertainable separately as the contribution to LIC is not made employee wise.
- Provision for leave encashment, post−retirement medical benefit, farewell gift etc. to functional director have been made on the basis of actuarial valuation and are in addition to the above given compensation.

iii. Loans to and from KMP(s):

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Loans to KMP					
Loans at the beginning of the year	**3.96**	**6.50**	**6.50**	**1.19**	**2.37**
Loan advanced during the year	1.17	0.26	0.26	3.93	0.23
Repayment received during the year	0.44	0.87	2.09	0.55	1.21
Interest charged during the year	-	0.03	0.04	2.34	0.05
Interest received during the year	0.43	0.47	0.75	0.42	0.25
Balance at the end of the year	**4.25**	**5.45**	**3.96**	**6.50**	**1.19**
Loans from KMP	-	-	-	-	-

Major terms and conditions of transactions with related parties:

- Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions
- The remuneration and staff loans to Key Managerial Personnel are in line with the service rules of the Company
- There are no pending commitments to the Related Parties.

B) Disclosure for transactions entered with Government and Government Entities

(₹ in Million)

Name of Government/ Government entities	Nature of Relationship with the Company	Nature of Transaction	Transaction					Outstanding Balance				
			For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	During 2022-2023	During 2021-2022	During 2020-2021	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March31, 2021
Ministry of New & Renewable Energy (MNRE)	Administrative Ministry	Loan Repayment−IDA through MNRE	102.47	94.95	197.76	187.78	139.21	2,491.74	2,650.45	2,569.28	2,558.49	2,664.55
		Interest Payment	9.58	9.59	19.64	20.07	21.27	-	-	-	-	-
		Guarantee Fee Payment*	750.05	444.26	888.52	972.15	1,152.84	-	-	-	-	-
		Raising of taxable bonds on behalf of MNRE	-	-	-	-	-	GOI Fully Serviced Bonds Series −I : 6,100.00 Series IA : 2,200.00 Series IB : 8,100.00 **Total : 16,400.00**				

*Represents the proportionate amount for the period reported.

IREDA is a Public Sector Undertaking (PSU) under the administrative control of Ministry of New & Renewable Energy (MNRE), Government of India. Significant transactions with related parties under the control/ joint control of the same government are as under:

(₹ in Million)

Name of the Company	Nature of Transaction	Transaction					Outstanding Balance				
		During Half Year ended September 30, 2023	During Half Year ended September 30, 2022	During 2022-2023	During 2021-2022	During 2020-2021	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
REWA Ultra Mega Solar Limited	Disbursement of loan	-	-	614.40	449.80	-	-	-	1,960.28	1,403.64	999.04
REWA Ultra Mega Solar Limited	Repayment of loan	32.49	28.88	57.76	45.19	-	1,927.79	1,347.46	1,960.28	1,403.64	999.04
State Bank Of India	Repayment of Loan	3.93	4.47	8.95	8.95	8.95	18.64	27.04	22.57	31.52	40.46
Housing & Urban Development Corporation	Ground Rent and License Fees Paid	-	-	–	-	0.76	-	-	-	-	-
Life Insurance Corporation Of India	Rent- Branch Office	0.38	0.35	0.73	0.69	0.69	-	-	-	-	-
NBCC (India) Limited	Maintenance Charges for Hired Space RINL Office	5.37	7.85	13.41	2.26	8.94	2.46		2.46	1.04	–
Power Grid Corporation Of India Ltd.	Internet Connectivity Charges	0.67	0.89	0.89	0.91	0.93	-	-	-	(0.45)	-
Rashtriya Ispat Nigam Limited	Hired Space RINL Rent	-	-	–	2.04	5.82	-	-	-	-	2.04
Solar Energy Corporation Of India	Reimbursement Of Expenses	-	-	–	-	-	(0.94)	(0.94)	(0.94)	(0.94)	(0.94)
Solar Energy Corporation of India Solar Project	Kasargod Project	-	-	–	18.10	17.18	-	-	-	-	18.10
Central Warehousing Corporation	Office Sanitisation	1.26	1.51	2.98	3.02	-	-	-	-	(0.25)	-
SJVN Green Energy Limited	Disbursement of Loan	-	-	15,299.10	-	-	15,299.10	-	15,299.10	-	-
Broadcast Engineering Consultants India Limited	Repayment of Loan	155.56	-	-	-	-	644.44	-	-	-	-

During the Half Year ended September 30, 2023, the Company has also received interest of ₹ 782.81 Million (for the Half Year ended September 30, 2022 ₹ 81.12 Million, for the year ended March 31, 2023 ₹ 399.86 Million, for the year ended March 31, 2022 ₹105.11 Million, for the year ended March 31, 2021 ₹ 107.18 Million) and repayments of principal of ₹ 191.98 Million (for the Half Year ended September 30, 2022 ₹ 33.35 Million, for the year ended March 31, 2023 ₹ 66.71 Million, for the year ended March 31, 2022 ₹ 54.14 Million, for the year ended March 31, 2021 ₹8.95 Million) on the loans to government related entities.

Further, an amount of ₹ 53.64 Million for the Half Year ended September 30, 2023 (for the Half Year ended September 30, 2022 ₹ 1.25

Million, for the year ended March 31, 2023 ₹71.26 Million, for the year ended March 31, 2022 ₹ 61.72 Million, for the year ended March 31, 2021: ₹ 59.02 Million) has been accounted for as Service Charges towards the various schemes implemented as per the mandate of the Government of India (GoI). Refer Note 28 of restated standalone and consolidated financial statements.

Above transactions with the Government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses, air travel and deposits etc. with other CPSUs. They are insignificant individually & collectively and hence not disclosed. All transactions are carried out on market terms.

11. Disclosure as required by Regulation 34(3) and 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023		For the Half Year ended September 30, 2022		For the year ended March 31, 2023		For the year ended March 31, 2022		For the year ended March 31, 2021	
	Amount as at September 30, 2023	Maximum amount outstanding during the Half Year ended September 30, 2023	Amount as at September 30, 2022	Maximum amount outstanding during the Half Year ended September 30, 2022	Amount as at March 31, 2023	Maximum amount outstanding during the year ended March 31, 2023	Amount as at March 31, 2022	Maximum amount outstanding during the year ended March 31, 2022	Amount as at March 31, 2021	Maximum amount outstanding during the year ended March 31, 2021
1. Loans and advances in the nature of loans			NIL		NIL		NIL		NIL	
a) To Associates	NIL									
b) To Companies in which Directors are interested										

12. Disclosure in respect of Indian Accounting standard (Ind AS) 116 "Leases"

The company has applied Ind AS 116 with the date of initial application of April 01, 2019. The company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings on April 01, 2019. The company has applied the above-mentioned approach to all of its lease arrangement enforceable as on April 01, 2019.

As per Para C11 of Ind AS 116, for leases that were classified as finance leases applying Ind AS 17, the carrying amount of the right–of–use asset and the lease liability at the date of initial application shall be the carrying amount of the lease asset and lease liability immediately before that date measured applying Ind AS 17. Hence, the carrying amount of lease asset in case of leasehold property at India Habitat Centre (IHC) and August Kranti Bhawan (AKB), the Company has carried forward the same amount as right of use asset as per Ind AS 116.

a) Description of lease accounted as right of use assets as per Ind AS 116

The Company has lease agreements for office space in Delhi & Mumbai, Residential Space at Delhi and Solar Park Land at Kerala. The tenure of each agreement and rental payments are different. The company has applied the measurement principles under Ind AS 116 for the leases on which exemption under short term lease are not available in line with the accounting policy of the Company.

b) Maturity analysis of lease liabilities

(₹ in Million)

Maturity analysis –contractual undiscounted cash flows	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Less than One Year	6.72	10.42	10.52	6.43	8.14
One Year to Five Years	22.41	25.22	23.82	26.53	25.16
More than Five years	54.63	58.53	58.53	62.43	70.24
Total undiscounted lease liabilities at the end of the year	**83.75**	**94.18**	**92.87**	**95.39**	**103.54**
Lease liabilities included in the statement of financial position at the end of the year	**39.96**	**42.75**	**43.34**	**45.95**	**53.41**
Current	6.10	2.82	3.00	2.61	7.47
Non–Current	33.85	39.93	40.34	43.34	45.94

c) Amounts recognised in profit or loss

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021*
Interest on lease liabilities	1.83	1.93	3.82	0.67	0.79
Variable lease payments not included in the measurement of lease liabilities	-	-	–	–	–
Income from sub–leasing right–of–use assets	-	-	–	–	–
Derecognition of lease liabilities	-	-	–	–	5.90
Derecognition of Right to use assets	-	-	–	–	17.33
Derecognition of Accumulated depreciation on Right to use assets	-	-	–	–	11.76
Expenses relating to short–term leases	-	-	–	–	–
Depreciation charge for right–of–use assets by class of underlying asset	20.84	8.97	17.95	19.65	23.97

*Office premises taken on lease from RINL were vacated by IREDA and the possession was handed over to RINL on October 30, 2020.

d) Amounts recognised in the statement of cash flows

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021*
Interest on lease liabilities	1.31	1.22	2.53	8.14	5.98

e) Amounts recognised in the Balance Sheet

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year/Half Year	282.51	282.51	282.51	282.51	245.57
Additions to right–of–use assets	1,292.80	-	-	–	54.26
Deletion/Derecognition of right -of- use assets	-	-	-	–	17.33

Balance at the ending of the year	1,575.30	282.51	282.51	282.51	282.50
The carrying amount of right–of–use assets at the end of the reporting year/Half Year by class of underlying asset.	1,430.54	167.56	158.58	176.53	196.18

Note: The Company has executed the agreement for land use at Kasaragod Solar Park with Renewable Power Corporation of Kerala Limited (RPCKL) on January 19, 2021. As per the agreement, the Company was exempted from payment of the land lease charges till October 06, 2020.

f) Other disclosures

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenses relating to short–term leases	0.52	0.52	1.03	0.86	0.61

13. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share (EPS)"

- **Basic EPS**

The earnings and weighted average number of ordinary shares used in the calculation of Basic EPS is as follows: –

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) for the years, attributable to the owners of the Company (₹ Million)	5,793.15	4,102.66	8,646.28	6,335.27	3,463.81
Earnings used in calculation of basic earnings per share(A) (₹ Million)	5,793.15	4,102.66	8,646.28	6,335.27	3,463.81
Weighted average number of ordinary shares for the purpose of basic earnings per share(B)	2,284,600,000*	2,284,600,000*	2,284,600,000*	788,709,589**	784,600,000***
Basic EPS(A/B) (in ₹)	**2.54**	**1.80**	**3.78**	**8.03**	**4.41**

*Weighted Average (2,284,600,000 x 365/365)
**Weighted Average (78,46,00,000 x 365/365 + 1,50,00,00,000 x 1/365)
***Weighted Average (78,46,00,000 x 365/365)

- **Diluted EPS**

The earnings and weighted average number of ordinary shares used in the calculation of Diluted EPS is as follows:

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit (loss) for the year, attributable to the owners of the Company (₹ Million)	5,793.15	4,102.66	8,646.28	6,335.27	3,463.81
Earnings used in calculation of basic earnings per share(A) (₹ Million)	5,793.15	4,102.66	8,646.28	6,335.27	3,463.81
Weighted average number of ordinary shares for the purpose of diluted earnings per share(B)	2,284,600,000*	2,284,600,000*	2,284,600,000*	788,709,589**	784,600,000***
Diluted EPS (A/B) (in ₹)	**2.54**	**1.80**	**3.78**	**8.03**	**4.41**

*Weighted Average (2,284,600,000 x 365/365)
**Weighted Average (784,600,000 x 365/365 + 1,50,00,00,000 x 1/365)
***Weighted Average (784,600,000 x 365/365)

14. Performance Related Pay

During the Half Year ended September 30, 2023, the Company has made the provision (net of reversal) of ₹ 17.30 Million towards the performance related pay (for the Half Year ended September 30, 2022: ₹ 45.50 Million; for the year ended March 31, 2023: ₹ 93.55 Million; for the year ended March 31, 2022: ₹ 69.60 Million; for the year ended March 31, 2021: ₹ 19.96 Million) towards the performance related pay. An amount of ₹ 70.73 Million was paid during the Half Year ended September 30, 2023(for the Half Year ended September 30, 2022 ₹ 52.48 Million; for the year ended March 31, 2023: ₹ 52.48 Million; for the year ended March 31, 2022: ₹ 81.06 Million; for the year ended March 31, 2021: ₹ 40.03 Million) to the eligible employees as per the underlying scheme towards the Performance Related Pay.

15. Dividends

As per the Department of Investment and Public Asset Management (DIPAM) O.M. dated May 27, 2017, on Capital Restructuring, containing the guidelines for payment of Dividend, the Company is required to pay a minimum annual dividend of 30% of Profit After Tax (PAT) or 5% of Net worth, whichever is higher. The Company had obtained exemption from payment of dividend for the FY 2020-21, FY 2021-22 , FY 2022-23.

16. Security created on assets

i. Assets Hypothecated as Security

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
First Charge on Pari passu basis on our loans & advances (Book Debts of Company)					
Financial Assets					
− Tax free bonds	27,576.55	27,576.55	27,576.55	27,576.55	27,576.55
− Bank borrowing	147,206.92	67,664.37	149,920.78	70,429.84	12,349.54
− Foreign currency loan	18,157.64	19,603.44	19,279.29	19,741.90	20,243.57
Non−Financial Assets	-	-	-	-	-
Floating Charge					
Financial Assets	-	-	-	-	-
Non−Financial Assets	-	-	-	-	-

ii. Secured by negative lien on book debts

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Negative lien (Book Debts of Company)					
Financial Assets					
−Taxable bonds	38,171.82	41,170.75	41,171.26	44,170.23	44,169.28
Non−Financial Assets			-	-	-

17. The Company uses derivative instruments in pursuance of managing its foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps, principal only swaps and interest rate swaps. To the extent the derivative contracts designated under the hedge accounting are effective hedges, the change in fair value of the hedging instrument is recognized in 'Effective Portion of Cash Flow Hedges'. Amounts recognized in such reserve are reclassified to the Statement of Profit and Loss when the hedged item affects profit or loss.

18. In addition to the security held by way of assets etc., of the borrowing entities, the Company held FDRs & Guarantees issued by Banks as additional securities for loans granted are as follows:

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
FDRs	3,551.65	1,841.39	2,493.58	2,005.59	1,165.89
Guarantees	2,137.97	1,943.08	1,859.93	1,646.62	1,947.63

19. As per the Board approved Foreign Exchange and Derivative Risk Management Policy of IREDA, an open exposure on foreign currency loans (40% of outstanding forex borrowing) is permissible.

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total FC Loan Outstanding	96,857.68	99,826.70	101,329.28	104,320.32	103,180.11
Total unhedged including part hedged	25,461.07	16,315.64	18,862.97	19,404.34	23,525.43
Unhedged exposure as a % of FC loan outstanding including part hedged	26.29%	16.34%	18.62%	18.60%	22.80%

Out of the said open exposure part, hedging has been done for EURO 30,384,097.05 loan has been part hedged by taking Principal only swap for the Half Year ended September 30, 2023 for USD 33.73 Million equivalent to ₹ 2,801.24 Million (for the Half year ended September 30, 2022 for USD 33.73 Million equivalent to ₹ 2,750.46 Million; for the year ended March 31, 2023 USD 33.73 Million equivalent to ₹ 2,772.88 Million, for the year ended March 31, 2022 USD 33.73 Million equivalent to ₹ 2,556.70 Million; for the year ended March 31, 2021 USD 36.81 Million equivalent to ₹ 2,705.60 Million). JPY 2,371.50 Million has been hedged by taking principal only swap (USD/JPY) Million equivalent to USD 17.60 Million, amounting to ₹ 1,461.87 Million at applicable rate as on Half Year ended September 30, 2023(fort the Half year ended September 30, 2022 ₹ Nil Million; for the year ended March 31, 2023 : ₹ 1,465.59 Million; for the year ended March 31, 2022 : Nil & March 31, 2021: Nil)

20. Disclosure as per Indian Accounting Standard (Ind AS) 40 - "Investment Property"

Residential flat at Jangpura, Delhi

(i) Details of incomes and expenses:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Rental Income*	-	-	-	-	0.55
Direct Operating Expenses	0.02	-	0.02	0.01	0.01

*The lease has been terminated w.e.f. January 02, 2021, and possession of vacated flat handed over to IREDA.

(ii) Fair value of Investment Property

The market value of the property has been assessed (as per the valuation done by a registered valuer as defined under rule 2 of Companies (Registered Valuers and valuation) Rules, 2017) at ₹ 27.52 Million for the Half Year ended September 30, 2023 (for the Half year ended September 30, 2022 ₹ 24.20 Million, March 31, 2023 ₹ 25.82 Million; March 31, 2022 ₹ 23.00 Million & March 31, 2021 ₹ 21.10 Million).

21. Indian Accounting Standard (Ind AS) 27 – "Separate Financial Statements"

The following information is in respect of Company's associate:

As at September 30, 2023

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the Company non-controlling interests	Principal activities	Relationship	Accounting method	Carrying amount (₹ in Million)
Investment in Associate						
Nil^						

As at September 30, 2022

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the Company non-controlling interests	Principal activities	Relationship	Accounting method	Carrying amount (₹ in Million)
Investment in Associate						
Nil^						

As at March 31, 2023

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the Company non-controlling interests	Principal activities	Relationship	Accounting method	Carrying amount (₹ in Million)
Investment in Associate						
Nil^						

As at March 31, 2022

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the Company non-controlling interests	Principal activities	Relationship	Accounting method	Carrying amount (₹ in Million)
Investment in Associate						
Nil^						

As at March 31, 2021

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the Company non-controlling interests	Principal activities	Relationship	Accounting method	Carrying amount (₹ in Million)
Investment in Associate						
Investment in MP Wind Farms Limited	Madhya Pradesh– India	24%	Generation of Energy	Associate	Equity Method	1.20

^Refer Note 38(26)

22. Decommissioning liabilities included in the cost of property, plant and equipment

As per Ind AS 16 Property, Plant and Equipment, Appendix A "Changes in Existing Decommissioning, Restoration and Similar Liabilities", specified changes in decommissioning, restoration or similar liability needs to be added to or deducted from the cost of the asset to which it relates; the adjusted depreciable amount of the asset is then depreciated prospectively over its remaining useful life. As per para 55 of Ind AS 16, the depreciable amount of an asset is determined after deducting its residual value. The amount of decommissioning liability and residual value related to solar plant is not reliably ascertainable. Hence, decommissioning liability related to the solar plant and the residual value have not been considered during the Half year ended September 30, 2023 and September 30, 2022 and year ended March 31, 2023; March 31, 2022; and March 31, 2021. However, the management is of the opinion that the decommissioning cost (net of residual value of the solar plant), will not be material.

23. Approval of Restated Standalone and Consolidated Financial Information

The Restated Standalone and Consolidated Financial Information were approved by the board of directors and authorized for issue on October 25, 2023.

24. Revenue from Contracts with Customers

A) Solar Power Plant

Company is operating solar power plant. The Power Purchase Agreement (PPA) has been signed between IREDA and Kerala State Electricity Board Limited (KSEBL) on March 31, 2017 @ ₹ 4.95/KWH or rate as approved by Kerala State Electricity Regulatory Commission (KSERC), whichever is lower. Accordingly, IREDA, filed a petition for approval of the Power Purchase Agreement with KSERC, which in its interim order dated February 14, 2018 has approved an interim tariff of ₹ 3.90 per unit till March, 2018. During the financial year 2019–20, KSERC has passed a tariff order and determined tariff of ₹3.83 per unit. Accordingly, Company has recognized the gross revenue on the supply of power to KSEBL. Further, the company has also ventured in consultancy services during the financial year 2021-22 & onwards.

Particulars	For the Half Year ended September 30, 2023			
	Unit generated (Mil.)	Unit Sold (Mil.)	Rate per Unit (₹)	Total (₹ in Million)
Generation of power	37.45	37.25	3.83	142.65

Particulars	For the Half Year ended September 30, 2022			
	Unit generated (Mil.)	Unit Sold (Mil.)	Rate per Unit (₹)	Total (₹ in Million)
Generation of power	31.74	31.53	3.83	120.76

Particulars	For the year ended March 31, 2023			
	Unit generated (Mil.)	Unit Sold (Mil.)	Rate per Unit (₹)	Total (₹ in Million)
Generation of power	72.09	71.68	3.83	274.53

Particulars	For the year ended March 31, 2022			
	Unit generated (Mil.)	Unit Sold (Mil.)	Rate per Unit (₹)	Total (₹ in Million)
Generation of power	76.29	75.90	3.83	290.71

Particulars	For the year ended March 31, 2021			
	Unit generated (Mil.)	Unit Sold (mil.)	Rate per Unit (₹)	Total (₹ in Million)
Generation of power	73.43	73.04	3.83	279.77

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Amount of unbilled revenue included in Sales	21.01	22.52	30.93	27.82	30.31

B) Disaggregation of revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Revenue					
Net Revenue from Operations (Net of rebate, wherever applicable)	139.80	118.34	269.04	284.89	274.17
Consultancy Fee	1.56	1.46	2.37	16.03	-
2. Primary geographical markets					
Domestic Revenue	141.36	118.34	271.42	300.92	274.17
International Revenue	-	-	-	-	-
Total Revenue	**141.36**	**118.34**	**271.42**	**300.92**	**274.17**
3. Timing of revenue recognition					
At a Point in time	-	-	-	-	-

Over time	141.36	118.34	271.42	300.92	274.17
Total Revenue	**141.36**	**118.34**	**271.42**	**300.92**	**274.17**

Note: KSEBL is the single customer for sale of power.

C) Trade Receivables and Contract Balances

The following table provides the information about receivables and contract liabilities from contracts with customers: −

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Trade Receivable (Net) (Solar Plant)	21.01	22.52	30.31	27.26	29.70

25. SOLAR POWER PROJECT

The Company entered into an MOU with Solar Energy Corporation of India (SECI) in the year 2014−15 for implementation of 50 MW Solar Project of IREDA situated at Ambalathara solar park, Kasargod district, in the state of Kerala. It has been capitalized in the books in the FY 2016−17 at ₹ 2,939.85 Million. In turn, SECI (as a Project Management Consultant (PMC)) on behalf of IREDA has selected M/s. Jakson Engineers Limited as EPC (Engineering Procurement and Construction) consultant for designing, engineering, supply, construction, erection, testing, commissioning of Solar PV Power Plant at a fixed price of ₹ 2,692.93 Million plus 8% management charges (including Taxes) of ₹ 245.63 Million payable to SECI and ₹ 1.29 Million being interest capitalized during the FY 2016−17. An amount of ₹ 150.00 Million (excluding taxes) which was paid as advance towards evacuation charges to Renewable Power Corporation of Kerala Limited (RPCKL), Solar Park Developer, was capitalized during FY 2017−18. During FY 2019−20, a further amount of ₹ 81.27 Million was paid and capitalized.

The PPA was signed between IREDA and Kerala State Electricity Board Limited (KSEBL) on March 31, 2017 @ ₹ 4.95 /KWH or rate as approved by Kerala State Electricity Regulatory Commission (KSERC), whichever is lower. Accordingly, IREDA filed a petition for approval of the Power Purchase Agreement with KSERC, which in its interim order dated February 14, 2018 had approved an interim tariff of ₹ 3.90 per unit. Further to the same, KSERC, in its order dated February 06, 2019 had approved of the levelized tariff @ ₹ 3.83 per unit. It has also further ordered as under:

- KSEB Ltd shall reimburse, any tax paid on the Return on Equity (ROE), limited to the amount of equity specified in this Order. For claiming the tax, developer shall furnish the proof of payment of such tax to KSEB Ltd.

- KSEB Ltd shall reimburse, the land lease paid by IREDA /RPCKL, less amount received as subsidy, if any, in addition to the above.

Accordingly, in the FY 2020-21, IREDA had made a claim of ₹ 131.30 Million from RPCKL, who had responded in the negative of the claim and the value thereof. Further, IREDA has approached Appellate Tribunal for Electricity (APTEL) with a review petition for review of the tariff fixed which is pending. Notwithstanding, the generation income has been accounted for @ ₹ 3.83 per unit.

The Company had issued the Operational Acceptance certificate on March 09, 2020. The Plant handover and taking over has been done on March 09, 2021. The Solar Project has been set up on Leasehold land, for which no lease rentals were payable for the first 5 years. The Company has entered into a lease agreement with Renewable Power Corporation of Kerala Limited (RPCKL) with respect to the land use for a period of 28 years (from October 07, 2015 to October 06, 2043). As per the agreement, the Company was exempted from payment of the land lease charges till October 06, 2020. As per KSERC Tariff order dated February 06, 2019, IREDA is eligible to avail reimbursement of land lease charges paid to RPCKL. In view of this reimbursement letter to KSEBL has been sent on March 24, 2022 for lease rent paid. The same being uncertain, no asset has been created towards the same.

Further, IREDA had filed a review petition on April 05, 2022 before the Appellate Tribunal for Electricity and IREDA is pressing its grounds on being permitted the total costs paid by it to RPCKL in full which amounts to Rs. 253.80 Million and not Rs. 122.50 Million as allowed by the State Commission. In a cost-plus based tariff determination process under Sections 61, 62 & 64 of the Electricity Act, 2003, the actual costs incurred by the Petitioner ought to be capitalized in tariff and the State Commission cannot proceed based on estimates. Since the Review can only be sought for on limited grounds, IREDA proceeded with filing of a Second Appeal as permissible before the Hon'ble Supreme Court on June 08, 2022 in terms of Section 125 of the Electricity Act, 2003, on certain legal grounds. Diary No. has been given i.e., No. 18137 of 2022. IREDA has filled rejoinder to the reply filed by RPCKL.

IREDA has filed the Review Petition No. 15 of 2023 under Section 120 (2) (f) of the Electricity Act, 2003 seeking review of the Judgement dated February 10, 2022 passed by the Hon’ble Appellate Tribunal of Electricity in Appeal No. 141 of 2021. The present review is limited to the decision of this Hon’ble Tribunal on the issue of expenditure incurred by IREDA as project development cost and paid to Respondent No. 2 - Renewable Power Corporation of Kerala Limited. M/s RPCKL has filed the counter reply. Thereafter IREDA has filed the rejoinder. Pleadings has been completed. The matter is now listed for final hearing. The next date is not yet notified.

IREDA has also filed Second Appeal no. 4634 of 2022 in the Supreme Court of India even during the pendency of the Review Petition before the Appellate Tribunal, only to save the Appeal from being barred by limitation before this Hon'ble Court. The Hon'ble Supreme Court of India vide order dated 18.07.2022 had given liberty to IREDA to mention the mater for listing as and when the Review Petition is disposed of.

26. During the year ended March 31, 2022, the company has liquidated its Investment in the Associate Company – M.P. Windfarms Limited, to M/s I-Bahn Retail Services Pvt. Ltd. for a consideration of ₹ 2.40 Million. Accordingly, the transfer/sale of the entire 168,000 Equity Shares of Face Value of ₹ 10/- each (including 48,000 Equity Shares of ₹ 10/- each allotted as Bonus Shares) held by IREDA was transferred on March 26, 2022. The profit on the sale of investment in associate has been depicted under Note 31 of the restated standalone and consolidated financial statements of the financial year.

27. The property tax demand raised up to September 30, 2023 in respect of all the residential and office premises have been paid. The property tax in respect of office building at India Habitat Centre has been paid as per the demand of India Habitat Centre, which was based on unit area method. South Delhi Municipal Corporation (SDMC) has raised an issue with India Habitat Centre to include license fee received for the facilities area for the purpose of calculating ratable value for the period 1994-2004. The issue has been settled between SDMC and IHC and petitions were withdrawn by both the Parties. Vide order dated April 11, 2023 of Hon'ble High Court. In view of this , no further liability has arisen. The demand for property tax in respect of Office Space & Residential flats at NBCC Kidwai Nagar is still to be received.

28. In terms of Section 135 of The Companies Act, 2013, IREDA is required to constitute a corporate social responsibility (CSR) Committee of the Board of Directors and the Company has to spend 2% of the average net profits of the company's three immediately preceding financial years calculated as per section 198 of the Companies Act 2013. In accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified w.e.f. January 22, 2021, any unspent amount pursuant to any ongoing project shall be transferred to unspent CSR Account in any scheduled bank within a period of thirty days from the end of the financial year, to be utilized within a period of three financial years from the date of such transfer. Any unspent CSR amount, other than for any ongoing project, shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, if the Company spends an amount in excess of the requirement under statute, the excess amount may be carried forward and set off in three succeeding financial years against the amount to be spent
As the notification was made effective during FY 2020-21, the Company complied with the amended provisions of Section 135 of the Companies Act, 2013 with effect from the FY 2020-21. Accordingly, the unspent CSR amount as at March 31, 2020 would continue to be dealt with in accordance with the pre-amendment framework.

a). Details of CSR Expenses for Current & Previous FY

(₹ in Million)

Sl.	Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Gross amount required to be spent by the company during the year	#	#	105.77	68.53	72.74
2	Amount spent during the year	11.97	9.81	72.44	87.29	90.20
3	Shortfall / (Excess) at the end of the year* (1-2)	##	##	33.33	(18.76)	(17.47)
4	Carried Forward (Excess) CSR spends from previous years	##	##	(36.23)	(17.47)	-
5	Adjustment of Excess Amount spent previously in Current FY	##	##	33.33	-	-
6	Total Shortfall / (Excess) spends carried forward at the year-end (4-5)	##	##	(2.89)	(36.23)	(17.47)

Total of Unspent Amount for prior years (prior to March 31, 2020)

(₹ in Million)

Sl.	Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
a)	Opening Balance	37.40	62.30	62.30	70.06	144.02
b)	Spent during the year	26.60	-	24.90	7.77	73.96
c)	Closing Balance [Shortfall / (Excess)] ** (a-b)	10.79	62.30	37.40	62.30	70.06

#Amount required to be spent for full Financial Year 2023-24 – ₹ 169.35 million and for Financial Year 2022-23 - ₹ 105.77 Million.
Shortfall Computation to be done at the Annual Accounts stage only.
*In view of MCA notification dated Jan 22, 2021, applicable prospectively, the amount of excess spent can be utilized in 3 successive years .
**The unspent amount pertaining to earlier years up to FY 2019-20, relates to ongoing projects and will be spent based on the progress of the projects.

b). For FY 2023-24, the Board had approved CSR budget of **₹** 169.35 Million (FY22-23 **₹** 105.77 Million, FY21-22 ₹ 68.53 Million and FY 2020-21 ₹ 72.74 Million) based on 2% of the average standalone Profit (before tax) as per Companies Act, 2013. The projects sanctioned in a year may be completed in subsequent years based on milestone linked payment to various stages of completion of the project. Further, as per the DPE guidelines, the CSR Budget is non-lapsable, and any unspent amount is carried forward to the next year for utilization for the purpose for which it was allocated.

c). [1]Amount spent during the year on CSR activities: -

(₹ in Million)

Sl	Particulars	For the Half Year ended September 30, 2023			For the Half Year ended September 30, 2022			For the year ended March 31, 2023			For the year ended March 31, 2022			For the year ended March 31, 2021		
		In cash	Yet to be spent in cash	Total	In cash	Yet to be spent in cash	Total	In cash	Yet to be spent in cash	Total	In cash	Yet to be spent in cash	Total	In cash	Yet to be spent in cash	Total
(i)	Construction / acquisition of any asset	11.97	-	11.97	9.81	-	9.81	44.84	27.60	72.44	87.29	-	87.29	164.04	-	164.04
(ii)	On purposes other than (i) above	-	-	-	-	-	-	-	-	-	-	-	-	0.12	-	0.12
	Total	**11.97**	**-**	**11.97**	**9.81**	**-**	**9.81**	**44.84**	**27.60**	**72.44**	**87.29**	**-**	**87.29**	**164.16**	**-**	**164.16**

During the Half Year ended September 30, 2023, an aggregate amount of ₹ 18.38 Million (for the Half year ended September 30, 2022: ₹ 9.81 Million, for the year ended March 31, 2023: ₹ 69.74 Million; March 31, 2022: ₹ 95.06 Million & March 31, 2021 ₹ 164.16 Million) has been spent in cash on CSR projects based on the progress of the projects. Out of the funds released during the Half Year ended September 30, 2023 an amount of ₹ 11.97 Million relates to the projects expenditure in the financial year 2023-24 and balance of ₹ 6.41 Million was pertaining to the projects expenditure of the earlier years (for the Half Year ended September 30, 2022 an amount of ₹ 9.81 Million was spent, of which ₹ Nil Million was pertaining to the projects expenditure of the earlier years , for the year ended March 31, 2023, an aggregate amount of ₹ 44.84 Million relates to the projects expenditure in the financial year 2022-23 and balance of ₹ 24.90 Million relates to the projects expenditure of the earlier years; for the year ended March 31, 2022, an aggregate amount of ₹ 95.06 Million was spent, of which ₹ 87.29 Million was pertaining to the expenditure on projects expenditure of FY 2021-22 and balance of ₹ 7.77 Million relates to the projects expenditure of the earlier years i.e, prior to FY 2019-20).

d). There were no related party transactions by the Company in relation to CSR expenditure in the current year or previous year.

e). Details of CSR Spent and Unspent: -

For the Half Year ended September 30, 2023

Unspent amount **(₹ in Million)**

Amount deposited in Specified Fund of Schedule - VII within 6 months	Amount required to be spent during the Half Year	Amount spent during the Half Year *	Closing Balance
-	-	-	-

*Shortfall Computation to be done at the Annual Accounts stage only.

Excess Amount Spent **(₹ in Million)**

Opening Balance	Amount required to be spent during the Half Year	Amount spent during the Half Year	Amount adjusted against shortfall in CY	Closing Balance
-	-	-	-	-

For Ongoing Projects: **(₹ in Million)**

Opening Balance		Amount required to be spent during the Half Year	Amount spent during the Half Year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	**27.60**	**6.41**	**-**	**6.88**	**0.47**	**20.72**

For the Half Year ended September 30, 2022

Unspent amount **(₹ in Million)**

Amount deposited in Specified Fund of Schedule - VII within 6 months	Amount required to be spent during the Half Year	Amount spent during the Half Year *	Closing Balance
NA	NA	NA	NA

*Shortfall Computation to be done at the Annual Accounts stage only.

Excess Amount Spent **(₹ in Million)**

Opening Balance	Amount required to be spent during the Half Year	Amount spent during the Half Year	Amount adjusted against shortfall in CY	Closing Balance
-	-	-	-	-

For Ongoing Projects: **(₹ in Million)**

Opening Balance		Amount required to be spent during the Half Year	Amount spent during the Half Year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

For the year ended March 31, 2023

Unspent amount **(₹ in Million)**

Amount deposited in Specified Fund of Schedule - VII within 6 months	Amount required to be spent during the year	Amount spent during the year*	Closing Balance
NA	105.77	78.17	27.60

*includes adjustment of setoff amount of excess CSR spends in previous years

Excess Amount Spent **(₹ in Million)**

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Amount adjusted against shortfall in CY	Closing Balance
36.23	-	-	33.33	2.90

For Ongoing Projects: **(₹ in Million)**

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	27.60*

*Deposited on April 24, 2023

For the year ended March 31, 2022

Unspent amount **(₹ in Million)**

Amount deposited in Specified Fund of Schedule - VII within 6 months	Amount required to be spent during the year	Amount spent during the year*	Closing Balance
NA	68.53	87.29	-

Excess Amount Spent **(₹ in Million)**

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Amount adjusted against shortfall in CY	Closing Balance
17.47	68.53	87.29	-	36.23

For Ongoing Projects: **(₹ in Million)**

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

For the year ended March 31, 2021

Unspent amount **(₹ in Million)**

Amount deposited in Specified Fund of Schedule - VII within 6 months	Amount required to be spent during the year	Amount spent during the year*	Closing Balance
NA	72.74	90.20	-

Excess Amount Spent **(₹ in Million)**

Opening Balance	Amount required to be spent during the year	Amount spent during the year	Amount adjusted against shortfall in CY	Closing Balance
	72.74	90.20	-	17.47

For Ongoing Projects: **(₹ in Million)**

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-	-	-	-	-	-

29. Remuneration to Auditor

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023^	For the Half Year ended September 30, 2022^	For the year ended March 31, 2023^	For the year ended March 31, 2022^	For the year ended March 31, 2021^
Auditor					
Limited Review	-	-	-	0.22	0.22*
Statutory Audit	-	-	0.96	0.87	0.88**
Tax Audit	-	-	0.32	0.29	0.29***
Audit Fees For Interim Accounts	2.50	1.92	2.88	2.40	0.60
Other Services					
Certification Fees	0.05	0.18	0.30	0.33	0.18
DRHP IPO related	-	-	0.50	0.50	0.30
Total	**2.55**	**2.10**	**4.96**	**4.61**	**2.47**

Notes:
* Includes ₹ 0.02 Million for FY 2019−20.
** Includes ₹ 0.10 Million for FY 2019−20.
***Includes ₹ 0.03 Million for FY 2019−20.
^Excluding GST

30. Deferred Taxes - Disclosure as per Ind AS 12 'Income taxes'

A. Tax recognised in Statement of profit and loss

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax expense relation to:					
Current Year/Half Year (After adjustment of earlier year)	2,030.45	1,715.51	2,531.73	3,111.96	2,916.23
Sub Total (A)	**2,030.45**	**1,715.51**	**2,531.73**	**3,111.96**	**2,916.23**
Deferred tax expense: Origination and reversal of temporary differences	370.74	343.50	214.48	(1,108.83)	(685.13)
Previously unrecognized tax loss, tax credit or temporary difference of a prior year (used to reduce deferred tax expense)		-	-	-	-
Sub Total (B)	**370.74**	**343.50**	**214.48**	**(1,108.83)**	**(685.13)**
Total (C=A+B)	**2,401.19**	**2,059.01**	**2,746.21**	**2,003.13**	**2,231.10**
Tax Expenses / (saving) recognised on Effective portion of gain / (loss) on hedging instrument in cash flow hedge reserve and Tax on Actuarial (Gain)/ Loss (OCI) (D)	(540.01)	(614.91)	(130.28)	(259.81)	(826.23)
Total Tax Expenses (C+D)	**1,861.18**	**1,444.09**	**2,615.93**	**1,743.32**	**1,404.87**

B. Tax recognised in other comprehensive income

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March31, 2023	For the year ended March31, 2022	For the year ended March31, 2021
Actuarial (Gain)/ Loss	(0.76)	0.59	(3.91)	(1.83)	1.62
Income Tax on Effective portion on hedging instrument in cash flow hedge reserve	(539.26)	(615.51)	(126.37)	(259.81)	(826.23)
Total	**(540.01)**	**(614.91)**	**(1,30.28)**	**(261.64)**	**(824.61)**

C. Reconciliation of tax expense and accounting profit

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March31, 2023	For the year ended March31, 2022	For the year ended March31, 2021
Profit before Tax & OCI	6,048.70	3,718.43	10,874.83	7,298.79	2,398.20
Applicable income tax rate (%)	25.17%	**25.17%**	**25.17%**	**25.17%**	**25.17%**
Expected Income tax	1,522.34	935.86	2,736.98	1,836.96	603.58
Tax effect of income tax adjustments:					
Depreciation	2.99	0.61	0.32	(11.67)	12.16
Deferred Items & OCI adjustment	0.89	(0.36)	4.29	(187.82)	100.40
Treatment of 46A	539.26	615.51	126.37	259.81	943.03

Impairment	78.37	64.02	120.14	144.44	110.82
Net disallowance under Section 43B and others	64.13	(0.58)	(1.19)	1.55	(1.60)
Benefit of deduction u/s 36(1) of Income Tax Act 1961	(362.58)	(174.87)	(511.62)	(435.31)	(390.60)
Non−allowability of CSR expenses & Others	12.51	2.47	17.55	23.93	41.32
Fixed Assets Adjustment	1.13	0.20	0.33	0.10	0.02
Other deductible tax expenses	-		-	-	(18.92)
Excess Tax Provided	0.95	1.24	7.40	9.16	4.66
Income tax earlier years	-		-	-	-
Adjustment in Last Year Accounts	1.20		115.35	102.14	-
Penal Interest	-	0.00	-	-	-
Total tax expenses in the Statement of Profit and Loss	**1,861.18**	**1,444.09**	**2,615.93**	**1,743.31**	**1,404.87**
Actual effective income tax rate on Book Income (%)	**30.77%**	**38.84%**	**24.05%**	**23.88%**	**58.58%**

Note: The Company has adopted the option to pay tax@22% (plus applicable surcharge and cess) under section 115BAA of the Income Tax Act, 1961.

D. Movement of Deferred Tax

For the Half Year ended September 30, 2023 **(₹ in Million)**

Particulars	Net balance as at April 01, 2023	Recognized in profit and loss	Recognized in OCI	Net balance as at September 30, 2023
Deferred Tax Assets				
Provision for Tax and other on Guarantee Commission	209.19	11.33	-	220.52
Provision for Service Tax and Other	29.57	0.93	-	30.49
Provision for Leave Encashment	17.55	2.76	-	20.31
Provision for Gratuity	-	-	-	-
Provision for Post-Retirement Medical Benefit	34.84	(35.69)	0.85	0.00
Provision for Sick Leave	10.43	1.99	-	12.43
Provision for Baggage Allowance	0.54	0.03	(0.03)	0.54
Provision for Staff (Memento)	0.28	0.02	(0.06)	0.23
Provision for Performance Incentive	30.54	(30.54)	-	0.00
Impairment	3,936.30	(366.23)	-	3,570.07
Front End Fee - deferred in Books	489.46	12.10	-	501.56
Total	**4,758.70**	**(403.30)**	**0.76**	**4,356.15**
Deferred Tax Liabilities				
Depreciation	457.50	(2.65)	-	454.84
Forex loss translation difference	1,285.03	(31.28)	-	1,253.76
Transaction cost of Bonds	6.14	1.37	-	7.51
Transaction cost of Loans	0.02	(0.01)	-	0.01
Total	**1,748.68**	**(32.57)**	**-**	**1,716.12**
Net deferred tax asset/(liability)	**3,010.02**	**(370.74)**	**0.76**	**2,640.04**

For the Half Year ended September 30, 2022 **(₹ in Million)**

Particulars	Net balance as at April 01, 2022	Recognized in profit and loss	Recognized in OCI	Net balance as at September 30, 2022
Deferred Tax Assets				
Provision for Tax and other on Guarantee	186.52	11.33	-	197.86

Commission				
Provision for Service Tax and Other	27.72	0.93	-	28.65
Provision for Leave Encashment	16.73	(1.22)	-	15.51
Provision for Gratuity	-	0.69	(0.69)	-
Provision for Post-Retirement Medical Benefit	29.03	1.10	0.17	30.31
Provision for Sick Leave	10.96	(0.94)	-	10.02
Provision for Baggage Allowance	0.53	0.03	(0.06)	0.51
Provision for Staff (Memento)	0.27	0.01	(0.02)	0.25
Provision for Performance Incentive	20.20	(1.76)	-	18.44
Impairment	3,888.87	(146.70)	-	3,742.18
Front End Fee - deferred in Books	295.39	33.96	-	329.35
Total	**4,476.23**	**(102.56)**	**(0.59)**	**4,373.07**
Deferred Tax Liabilities				
Depreciation	490.75	(14.26)	-	476.39
Forex loss translation difference	758.91	256.19	-	1,015.10
Transaction cost of Bonds	5.99	(1.03)	-	4.96
Transaction cost of Loans	-	0.04	-	0.04
Total	**1,255.64**	**240.94**	**-**	**1,496.48**
Net deferred tax asset/(liability)	**3,220.59**	**(343.50)**	**(0.59)**	**2,876.49**

For the year ended March 31, 2023 **(₹ in Million)**

Particulars	Net balance as at April 01, 2022	Recognized in profit and loss	Recognized in OCI	Net balance as at March 31, 2023
Deferred Tax Assets				
Provision for Tax and other on Guarantee Commission	186.52	22.67	-	209.19
Provision for Service Tax and Other	27.72	1.85	-	29.57
Provision for Leave Encashment	16.73	0.82	-	17.55
Provision for Gratuity	-	0.69	(0.69)	-
Provision for Post-Retirement Medical Benefit	29.03	5.64	0.17	34.84
Provision for Sick Leave	10.96	(0.53)	-	10.43
Provision for Baggage Allowance	0.53	0.07	(0.06)	0.54
Provision for Staff (Memento)	0.27	(0.00)	0.01	0.28
Provision for Performance Incentive	20.20	10.34	-	30.54
Impairment	3,888.87	47.43	-	3,936.30
Front End Fee - deferred in Books	295.39	194.07	-	489.46
Total	**4,476.23**	**283.03**	**(0.56)**	**4,758.70**
Deferred Tax Liabilities				
Depreciation	490.75	(33.26)	-	457.50
Forex loss translation difference	758.91	526.13	-	1,285.03
Transaction cost of Bonds	5.99	0.15	-	6.14
Transaction cost of Loans	-	0.02	-	0.02
Total	**1,255.64**	**493.04**	**-**	**1,748.68**
Net deferred tax asset/(liability)	**3,220.59**	**(210.01)**	**(0.56)**	**3,010.02**

For the year ended March 31, 2022 **(₹ in Million)**

Particulars	Net balance as at April 01,2021	Recognized in profit and loss	Recognized in OCI	Net balance as at March 31, 2022
Deferred Tax Assets				
Provision for Tax and other on Guarantee Commission	-	186.52	-	186.52
Provision for Service Tax and Other	-	27.72	-	27.72
Provision for Leave Encashment	13.23	3.50	-	16.73
Provision for Gratuity	-	0.85	(0.85)	-
Provision for Post-Retirement Medical Benefit	25.02	1.34	2.67	29.03
Provision for Sick Leave	9.55	1.41	-	10.96
Provision for Baggage Allowance	0.44	0.07	0.02	0.53
Provision for Staff (Memento)	-	0.28	(0.01)	0.27
Provision for Performance Incentive	23.09	(2.89)	-	20.20
Impairment	3,580.36	308.51	-	3,888.87
Front End Fee – deferred in Books	32.87	262.52	-	295.39
Total	**3,684.56**	**789.83**	**1.83**	**4,476.23**
Deferred Tax Liabilities				
Depreciation	519.71	(28.96)	-	490.75
Forex loss translation difference	1,045.73	(286.83)	-	758.91
Transaction cost of Bonds	9.20	(3.21)	-	5.99
Transaction cost of Loans	-	-	-	-
Total	**1,574.64**	**(319.00)**	**-**	**1,255.65**
Net deferred tax asset/(liability)	**2,109.92**	**1,108.83**	**1.83**	**3,220.58**

For the year ended March 31, 2021 **(₹ in Million)**

Particulars	Net balance as at April 1, 2020	Recognized in profit and loss	Recognized in OCI	Net balance as at March 31, 2021
Deferred Tax Assets				
Provision for Leave Encashment	10.20	3.03	-	13.23
Provision for Gratuity	1.37	(0.01)	(1.36)	0.00
Provision for Post-Retirement Medical Benefit	19.87	5.38	(0.23)	25.02
Provision for Sick Leave	8.74	0.82	-	9.55
Provision for Baggage Allowance	0.40	0.08	(0.04)	0.44
Provision for Performance Incentive	28.14	(5.05)	-	23.09
Impairment	2,831.32	749.04	-	3,580.36
Front End Fee deferred in Books	36.78	(3.92)	-	32.87
Total	**2,936.82**	**749.37**	**(1.63)**	**3,684.56**
Deferred Tax Liabilities				
Depreciation	504.79	14.92	-	519.71
Forex loss translation difference	995.16	50.57	-	1,045.73
Transaction cost of Bonds	10.46	(1.26)	-	9.20
Total	**1,510.41**	**64.23**	**-**	**1,574.64**
Net deferred tax asset/(liability)	**1,426.41**	**685.14**	**(1.63)**	**2,109.92**

E. Deductible temporary differences / unused tax losses / unused tax credits carried forward

Particulars	As at September 30, 2023	Expiry date	As at September 30, 2022	Expiry date	As at March 31, 2023	Expiry date	As at March 31, 2022	Expiry date	As at March 31, 2021	Expiry date
Deductible temporary differences/unused tax losses/unused tax credits for which no deferred tax asset has been recognised	-	N/A	-	N/A	-	N/A	-	N/A	-	N/A

F. Aggregate current tax and deferred tax that are recognised directly to equity **(₹ in Million)**

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31,2023	For the year ended March 31,2022	For the year ended March 31,2021
Deferred Tax on Remeasurements of Defined Benefit Plans	0.76	(0.59)	3.91	1.83	(1.62)
Current Tax on Effective portion of gain/(loss) on hedging instrument in cash flow hedge reserve	539.26	615.51	126.37	259.81	826.23
Total	**540.02**	**614.92**	**130.28**	**261.64**	**824.61**

In case of Associates: Deferred tax assets/liabilities have not been recognized, since in the opinion of the management, there is no reasonable certainty that sufficient future income will be available against which these can be realized.

31. Additional Information

a) Expenditure in Foreign Currency:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Travelling Expenses	1.22	-	1.53	-	-
Interest & Commitment expenses	1,373.20	723.34	1,894.43	911.94	1,087.18

b) Earnings in Foreign Exchange:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest	23.18	-	-	0.18	4.66

c) During the Half Year ended September 30, 2023, M/s KFW paid ₹ Nil Million & September 30, 2022: ₹ 4.83 Million (March 31, 2023 ₹ 4.83 Million; March 31, 2022 ₹ 20.40 Million & March 31, 2021 ₹ 10.55 Million) (including ₹ Nil Million directly to consultants hired under TA programme under Direct Disbursement Procedures and ₹ Nil Million directly to IREDA towards taxes) against Technical Assistance Programme (TAP) of EURO 0.60 Million sanctioned to IREDA in respect of KFW IV lines of credit for "technical Assistance for Solar PV Project Pipeline in India etc.

d) During the Half Year ended September 30, 2023, M/s KFW paid ₹ Nil Million & September 30, 2022: ₹ 5.59 Million (March 31, 2023: ₹ 11.62 Million; March 31, 2022: ₹ 17.39 Million & March 31, 2021: ₹ 11.23 Million) (including ₹ Nil Million directly to consultant hired under TA programme under Direct Disbursement Procedures and ₹ Nil Million directly to IREDA towards taxes) against TAP of EURO 1 Million sanctioned to IREDA in respect of KFW VI line of credit for expert services for capacity building measures and costs for related goods and services for IREDA.

e) The World Bank has sanctioned a Clean Technology Fund (CTF) Grant of USD 2 Million to assist in financing of the Shared Infrastructure for Solar Parks Project under IBRD III Line of credit. During the Half Year ended September 30, 2023, World Bank released ₹ 29.15 Million including ₹ 23.13 Million towards revenue expenses and ₹ 6.02 Million towards capital expenses & September 30, 2022, World Bank released ₹ 3.74 Million (March 31, 2023: ₹ 17.46 Million including ₹ 5.00 Million towards revenue expenses and ₹ 12.46 Million towards capital expenses; March 31, 2022: ₹ 24.69 Million including ₹ 5.16 Million towards revenue expenses and ₹ 19.53 towards capital expenses & March 31, 2021: ₹ 13.26 Million) to IREDA under the CTF Grant.

32. MNRE/UNDP-IREDA SCHEME FUNDS

The Company besides its own activities implements Programmes on behalf of Ministry for New and Renewable Energy on the basis of Memorandum of Understanding entered into with the said Ministry. In terms of stipulations of each of the MoUs, MNRE has placed an agreed sum in respect of each Programme with the Company for programme implementation. Interest on MNRE funds is accounted as and when received. As the income generated by the MNRE programme loans is not the income of the Company and also the loan assets belong to MNRE, the same is not considered for asset classification and provisioning purposes. On closure of the respective Programmes, the Company is required to transfer the amount standing to the credit of MNRE (inclusive of interest accrued thereon) to MNRE after deducting the service charges, irrecoverable defaults and other dues as stipulated in the MoU.

a) Generation Based Incentives (GBI) / Capital Subsidy Scheme etc.

IREDA is the Program Administrator on behalf of Ministry of New & Renewable Energy (MNRE) for implementation of Generation Based Incentive Scheme and Capital Subsidy for Wind and Solar Power Projects registered under the Scheme. Under these schemes, fund is provided by MNRE to IREDA for the purpose of disbursement of the same towards energy generation to the GBI claimants i.e. the Project Developers/ DISCOM as per the scheme. Therefore, essentially, the activity is receipt and utilization of funds. For release of GBI fund by MNRE, IREDA is required to submit the Utilization Certificate along with Audited Statement of Expenditure duly certified by a Chartered Accountant, for the previous tranche of fund released by MNRE. The said requirement is fully complied with by IREDA and nothing further has been required by MNRE so far. The statutory auditors have not audited the accounts of Scheme.

The amount due to MNRE on account of the above at the close of the period, along with interest on unutilized funds kept in separate bank accounts with Nationalized Banks as savings banks / short-term deposits etc shown as Bank balances other than included in Cash and Cash Equivalents (Refer Note 3) and the corresponding liability is shown under the head Other Financial Liabilities (Refer Note 22) in the Balance Sheet.

b) GEF -MNRE -United Nations Industrial Development Organization (UNIDO) Project

Ministry of New and Renewable Energy and UNIDO have jointly implemented a GEF-5 funded project on using biogas/bio-methane technology for waste to energy conversion, targeting innovations and sustainable energy generation from industrial organic wastes. Under the said project UNIDO will provide funds for subsidizing the interest rate by 5% for the project developers and IREDA is the fund handler. During the Half year ended September 30, 2023, no claims have been made to UNIDO. However, funds amounting to ₹ 25.51 Million have been received towards the 1st tranche of USD 340,000. The requisite fund liability including interest has been disclosed under Note 22 - Other financial liabilities.

33. MNRE GOI FULLY SERVICED BONDS

In terms of O.M. No. F.15 (4) −B (CDN)/2015 dated October 03, 2016 issued by Department of Economic Affairs, Ministry of Finance, Government of India, IREDA had been asked to raise an amount of ₹ 40,000.00 Million through GOI fully serviced bonds for utilization of the proceeds by them for MNRE Schemes / Programs relating to Grid Interactive Renewable Power, off − Grid/Distributed & Decentralized Renewable Power and Investment in Corporations & Autonomous Bodies. An MoU between MNRE and IREDA has also been signed on January 25, 2017 defining the role and responsibilities of both. Para No (I) of General Clauses at page 5 of the MoU specifically defines that the borrowings of MNRE bonds shall not be considered as assets/liability for any financial calculation by the Company. This implies that the amount raised by way of MNRE bonds while shall be reflected in the borrowing as well as assets however, there will be no impact of the same on IREDA's borrowings/ Assets or Income / Expenses.

IREDA had raised ₹ 16,400.00 Million GOI Fully Serviced Bonds on behalf of MNRE during the year 2016−17 and the same has been shown under Note No. 24 − Other Non-Financial liabilities. Against this, an amount of ₹ 16,387.92 Million has been disbursed up to September 30, 2023 & ₹ 16,387.92 Million upto September 30, 2022 (₹ 16,387.92 Million up to March 31, 2023, ₹ 16,387.92 Million up to March 31, 2022; ₹ 16,387.92 Million & up to March 31, 2021) as per the instructions of the MNRE for various plans/schemes. The said amount has been shown under Note No. 17 − Other Non-Financial Assets as amount recoverable from MNRE. The amount was kept in MIBOR Linked deposit on which the accrued interest of ₹ 123.21 Million as on September 30, 2023 & ₹ 113.34 Million as on September, 2022 (₹ 116.04 Million as on March 31, 2023, ₹ 111.75 Million as on March 31, 2022; ₹ 109.37 Million as on March 31, 2021) has been shown under Note No. 24 − Other Non-Financial liabilities. The balance cumulative amount (inclusive of interest accrued / earned) as on September 30, 2023: ₹ 100.03 Million & September 30, 2022: ₹ 90.16 Million (as on March 31, 2023: ₹ 92.87 Million, as on March 31, 2022: ₹ 88.58 Million; as on March 31, 2021: ₹86.14 Million) which is kept in MIBOR Linked Term Deposit and remaining in Current Account, amounting to ₹ 35.25 Million as on September 30, 2023 & ₹ 35.25 Million as on September 30, 2022 (₹ 35.25 Million as on March 31, 2023, ₹ 35.25 Million as on March 31, 2022; ₹ 35.31 Million as on March 31, 2021) which are shown under Note No. 3 − Other Bank Balances in respective sub heads.

During the Half Year ended September 30, 2023, interest on GOI fully Serviced Bond of ₹ 620.98 Million & September 30, 2022, ₹ 621.85 Million became due for payment to the investor (March 31, 2023: ₹ 1,243.47 Million; March 31, 2022: ₹ 1,243.47 Million & March 31, 2021: ₹ 1,243.47 Million) and the same has been received from GOI and paid to the investor for all the given previous years.

34. SUBSIDY/INCENTIVE RECEIVED FROM MNRE AND HANDLED ON THEIR BEHALF

a. **Interest Subsidy**

As per the Government policy, MNRE is providing interest subsidy. The interest subsidy is released to borrowers implementing MNRE programmes of Co−generation, Small Hydro, Briquetting, Biomass, Solar Thermal and Waste to Energy on NPV basis and for Solar and SPV programmes on actual basis. The interest subsidy is passed on to the borrowers on Half Yearly basis subject to complying with the terms and conditions of the sanction by these borrowers.

The programme-wise details of standing balances of interest subsidy are as under: −

(i) **Interest subsidy received earlier and outstanding on NPV basis: -**

(₹ in Million)

Name of the sector	Bio-mass Co-generation	Small Hydro	Sub Total (A)
As at September 30, 2023	21.50	0.18	**21.68**
As at September 30, 2022	21.50	0.18	**21.68**
As at March 31,2023	21.50	0.18	**21.68**
As at March 31,2022	21.50	0.18	**21.68**
As at March 31,2021	21.50	0.18	**21.68**

(ii) **Interest subsidy received earlier and outstanding on actual basis:-**

(₹ in Million)

Name of the sector	Solar Thermal Sector	SPV WP 2000-01	SPV WP 2001-02	SPV WP 1999-00	SPV WP Manufacturing	SPV WP 2002-03	Accelerated SWH System	Sub Total (B)	Grand Total (A+B)
As at September 30, 2023	0.00	(5.14)	(13.60)	(0.69)	(0.30)	(4.14)	0.01	(23.85)	(2.16)
As at September 30, 2022	0.00	(5.14)	(13.60)	(0.69)	(0.30)	(4.14)	0.01	(23.85)	(2.16)
As at March 31, 2023	0.00	(5.14)	(13.60)	(0.69)	(0.30)	(4.14)	0.01	(23.86)	(2.18)
As at March 31, 2022	0.00	(5.14)	(13.60)	(0.69)	(0.30)	(4.14)	0.01	(23.86)	(2.18)
As at March 31, 2021	0.00	(5.13)	(13.60)	(0.68)	(0.29)	(4.13)	0.01	(23.84)	(2.16)

b. **Capital subsidy**

During the Half Year ended September 30, 2023 ₹ Nil Million & September 30, 2022, an amount of ₹ 359.48 Million (year ended March 31, 2023: ₹ 359.48 Million; year ended March 31, 2022: ₹ 387.14 Million & year ended March 31, 2021: ₹ 127.50 Million) was received from MNRE towards Capital Subsidy. Out of the total capital subsidy amount available, ₹ Nil Million for the Half Year ended September 30, 2023 & September 30, 2022, an amount of ₹ 359.48 Million (year ended March 31, 2023: ₹ 359.48 Million; year ended March 31, 2022: ₹ 387.14 Million & year ended March 31, 2021: ₹ 127.50 Million) was passed on to the borrowers on compliance of the terms and conditions of the capital subsidy scheme.

35. Debenture Redemption Reserve

In terms of Rule 18 (7) (b) (ii) of The Companies Act 2013, the Company is required to create a Debenture Redemption Reserve (DRR) upto 25% of the bonds issued through public issue. The Company has made a provision for DRR, so as to achieve the required amount over the respective tenure of the Tax-Free Bonds.

Debenture redemption reserve are as follows: −

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Debenture Redemption Reserve	231.46	231.46	462.91	462.91	462.91

36. NBFC Reserve

In terms of RBI circular no. DNBR (PD)CC.No.092/03.10.001/2017−18 dated May 31, 2018, IREDA is required to create NBFC reserve under Section 45−IC of RBI Act, 1934 @ 20% of post-tax profit.

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Transfer to NBFC Reserve	Nil	Nil#	1,730.00	1,270.00	700.00

Reserve to be created at the year end.

37. Disclosure related to financial instruments

I. Fair value measurement
Financial instrument by category

For the Half year ended September 30, 2023

(₹ in Million)

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
Financial assets					
Cash and cash equivalents	3,602.39	-	-	-	3,602.39
Earmarked bank balances	11,026.85	-	-	-	11,026.85
Derivative financial instruments		-	4,227.21	289.24	4,516.44
Trade receivables	39.75	-	-	-	39.75
Loans	467,128.84	-	-	-	467,128.84
Investments	993.20	-	-	-	993.20
Other financial assets	311.31	-	-	-	311.31
Total financial assets	**483,102.34**	-	**4,227.21**	**289.24**	**487,618.78**
Financial liabilities					
Derivative financial instruments	-	-	1,582.60	151.19	1,733.79
Trade Payables	343.12	-	-	-	343.12
Debt Securities	115,426.98	-	-	-	115,426.98
Borrowings (Other than Debt Securities)	276,581.22	-	-	-	276,581.22
Subordinated Liabilities	6,493.73	-	-	-	6,493.73
Other financial liabilities	17,793.05	-	-	-	17,793.05
Total financial liabilities	**416,638.09**	-	**1,582.60**	**151.19**	**418,371.88**

For the Half year ended September 30, 2022

(₹ in Million)

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
Financial assets					
Cash and cash equivalents	23,463.16	-	-	-	23,463.16
Earmarked bank balances	20,449.75	-	-	-	20,449.75

Derivative financial instruments	-	-	4,309.42	227.66	4,537.07
Trade receivables	30.50	-	-	-	30.50
Loans	329,417.50	-	-	-	329,417.50
Investments	992.85	-	-	-	992.85
Other financial assets	307.27	-	-	-	307.27
Total financial assets	**374,661.02**	-	4,309.42	227.66	**379,198.09**
Financial liabilities					
Derivative financial instruments	-	-	4,511.06	-	4,511.06
Trade Payables	19.48	-	-	-	19.48
Debt Securities	107,787.46	-	-	-	107,787.46
Borrowings (Other than Debt Securities)	188,023.20	-	-	-	188,023.20
Subordinated Liabilities	6,492.96	-	-	-	6,492.96
Other financial liabilities	14,594.46	-	-	-	14,594.46
Total financial liabilities	**316,917.58**	-	**4,511.06**	-	**321,428.63**

For the year ended March 31, 2023

(₹ in Million)

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
Financial assets					
Cash and cash equivalents	1,385.31	-	-	-	1,385.31
Earmarked bank balances	8,162.41	-	-	-	8,162.41
Derivative financial instruments	-	-	5,458.99	281.53	5,740.52
Trade receivables	49.14	-	-	-	49.14
Loans	462,269.23	-	-	-	462,269.23
Investments	993.03	-	-	-	993.03
Other financial assets	318.06	-	-	-	318.06
Total financial assets	**473,177.18**	**-**	**5,458.99**	**281.53**	**478,917.70**
Financial liabilities					
Derivative financial instruments	-	-	1,484.42	30.27	1,514.69
Trade Payables	44.86	-	-	-	44.86
Debt Securities	108,432.83	-	-	-	108,432.83
Borrowings (Other than Debt Securities)	286,726.64	-	-	-	286,726.64
Subordinated Liabilities	6,493.33	-	-	-	6,493.33
Other financial liabilities	13,354.34	-	-	-	13,354.34
Total financial liabilities	**415,051.99**	**-**	**1,484.42**	30.27	**416,566.68**

For the year ended March 31, 2022

(₹ in Million)

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
Financial assets					
Cash and cash equivalents	1,311.75	-	-	-	1,311.75
Earmarked bank balances	3,955.19	-	-	-	3,955.19
Derivative financial instruments	-	-	3,856.32	126.98	39,83.30
Trade receivables	45.27	-	-	-	45.27
Loans	331,744.48	-	-	-	331,744.48
Investments	992.68	-	-	-	992.68
Other financial assets	318.21	-	-	-	318.21
Total financial assets	**338,367.58**	-	**3,856.32**	**126.98**	**342,350.88**
Financial liabilities					
Derivative financial instruments	-	-	1,825.75	-	1,825.75
Trade Payables	47.65	-	-	-	47.65
Debt Securities	92,291.39	-	-	-	92,291.39

Borrowings (Other than Debt Securities)	177,346.75	-	-	-	177,346.75
Subordinated Liabilities	6,492.60	-	-	-	6,492.60
Other financial liabilities	8,360.04	-	-	-	8,360.04
Total financial liabilities	**284,538.43**	-	1,825.75	-	**286,364.18**

For the year ended March 31, 2021

(₹ in Million)

Particulars	Amortized Cost	At Cost	At Fair Value		Total
			Through OCI	Through P&L	
Financial assets					
Cash and cash equivalents	2,210.18	-	-	-	2,210.18
Earmarked bank balances	3,822.92	-	-	-	3,822.92
Derivative financial instruments	-	-	3,889.19	141.71	4,030.90
Trade receivables	29.70	-	-	-	29.70
Loans	269,056.43	-	-	-	269,056.43
Investments	-	5.30	-	-	5.30
Other financial assets	227.95	-	-	-	227.95
Total financial assets	**275,347.18**	**5.30**	**3,889.19**	**141.71**	**279,378.08**
Financial liabilities					
Derivative financial instruments	-	-	918.32	-	918.32
Trade Payables	220.95	-	-	-	220.95
Debt Securities	91,202.62	-	-	-	91,202.62
Borrowings (Other than Debt Securities)	142,305.51	-	-	-	142,305.51
Subordinated Liabilities	6,491.92	-	-	-	6,491.92
Other financial liabilities	8,630.25	-	-	-	8,630.25
Total financial liabilities	**248,852.46**	**-**	**918.32**	**-**	**249,769.56**

II. Fair value hierarchy

This section explains the judgement and estimates made in determining the fair values of financial instruments that are

a. Recognised and measured at fair value and
b. Measured at amortised cost and for which fair values are disclosed in restated standalone and consolidated financial statements. To provide an indication about reliability of the inputs used in determining fair value the Company has classified its financial instruments into three levels prescribed under accounting standard. An explanation on each level follows underneath the table.
c. Considering the materiality, we have ignored discounting of employee loan and security deposits.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: Financial instruments that are not traded in active market (for example, traded bonds,) is determined using other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Technique which use inputs that have a significant effect on the recorded fair value that are not based on observable market data like unlisted equity securities.

A. Financial assets and liabilities measured at fair value - recurring fair value measurements-

As at September 30, 2023*

(₹ in Million)

Particulars	Level 1	Level 2	Level 3
Financial assets: -			
Derivatives designated as hedges			
Principal only swap	-	-	3,559.34
Cross currency interest rate swap	-	-	667.87

Particulars	Level 1	Level 2	Level 3
Derivatives not designated as hedges			
Principal only swap	-	-	289.24
Cross currency interest rate swap	-	-	
Total financial assets	**-**	**-**	**4,516.44**
Financial liabilities			
Derivatives designated as hedges			
Principal only swap	-	-	1,498.06
Cross currency interest rate swap	-	-	84.54
Derivatives not designated as hedges			
Principal only swap	-	-	151.19
Cross currency interest rate swap	-	-	
Total financial liabilities	**-**	**-**	**1,733.79**

** Amounts are shown at their Fair value*

Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

As at September 30, 2023* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets			
Financial assets at amortised cost :			
Loan to customers	-	-	466,386.78
Total financial assets	**-**	**-**	**466,386.78**
Financial Liabilities			
Financial liabilities at amortised cost:			
Debt securities	-	-	115,426.98
Borrowings (other than debt securities)	-	-	276,581.22
Subordinated liabilities	-	-	6,493.73
Total financial liabilities	**-**	**-**	**398,501.93**

B. Financial assets and liabilities measured at fair value - recurring fair value measurements-

As at September 30, 2022* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets: -			
Derivatives designated as hedges			
Principal only swap	-	-	3,675.57
Cross currency interest rate swap	-	-	633.84
Derivatives not designated as hedges			
Principal only swap	-	-	227.66
Cross currency interest rate swap	-	-	-
Total financial assets	**-**	**-**	**4,537.07**
Financial liabilities			
Derivatives designated as hedges			
Principal only swap	-	-	4,415.86
Cross currency interest rate swap	-	-	95.20
Derivatives not designated as hedges			
Principal only swap	-	-	-
Cross currency interest rate swap	-	-	-
Total financial liabilities	**-**	**-**	**4,511.06**

** Amounts are shown at their Fair value*

Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

As at September 30, 2022* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets			
Financial assets at amortised cost :			
Loan to customers	-	-	328,551.89
Total financial assets	**-**	**-**	**328,551.89**
Financial Liabilities			
Financial liabilities at amortised cost:			
Debt securities	-	-	107,787.46
Borrowings (other than debt securities)	-	-	188,023.20
Subordinated liabilities	-	-	6,492.96
Total financial liabilities	**-**	**-**	**302,303.62**

** Amounts are shown at their Fair value*

C. Financial assets and liabilities measured at fair value - recurring fair value measurements-

As at March 31, 2023* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets: -			
Derivatives designated as hedges			
Principal only swap	-	-	4,773.24
Cross currency interest rate swap	-	-	685.76
Derivatives not designated as hedges			
Principal only swap	-	-	281.53
Cross currency interest rate swap	-	-	-
Total financial assets	-	-	**5,740.53**
Financial liabilities			
Derivatives designated as hedges			
Principal only swap	-	-	1,484.42
Cross currency interest rate swap	-	-	-
Derivatives not designated as hedges			
Principal only swap	-	-	30.27
Cross currency interest rate swap	-	-	-
Total financial liabilities	-	-	**1,514.69**

** Amounts are shown at their Fair value*

Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

As at March 31, 2023* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets			
Financial assets at amortised cost :			
Loan to customers	-	-	461,638.93
Total financial assets	**-**	**-**	**461,638.93**
Financial Liabilities			
Financial liabilities at amortised cost:			
Debt securities	-	-	108,432.83
Borrowings (other than debt securities)	-	-	286,726.64
Subordinated liabilities	-	-	6,493.33
Total financial liabilities	**-**	**-**	**401,652.80**

**Amounts are shown at their Fair value*

D. Financial assets and liabilities measured at fair value - recurring fair value measurements-

As at March 31, 2022*

(₹ in Million)

Particulars	Level 1	Level 2	Level 3
Financial assets :-			
Derivatives designated as hedges			
Principal only swap	-	-	3,536.41
Cross currency interest rate swap	-	-	319.92
Derivatives not designated as hedges			
Principal only swap	-	-	126.98
Cross currency interest rate swap	-	-	-
Total financial assets	**-**	**-**	**3,983.30**
Financial liabilities			
Derivatives designated as hedges			
Principal only swap	-	-	1,825.75
Cross currency interest rate swap	-	-	-
Derivatives not designated as hedges			
Principal only swap	-	-	-
Cross currency interest rate swap	-	-	-
Total financial liabilities	**-**	**-**	**1,825.75**

** Amounts are shown at their Fair value*

Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

As at March 31, 2022* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets			
Financial assets at recognize:			
Loan to customers	-	-	330,994.83
Total financial assets	**-**	**-**	**330,994.83**
Financial Liabilities			
Financial liabilities at recognize:			
Debt securities	-	-	92,291.39
Borrowings(other than debt securities)	-	-	177,346.75
Subordinated liabilities	-	-	6,492.60
Total financial liabilities	**-**	**-**	**276,130.74**

** Amounts are shown at their Fair value*

E. Financial assets and liabilities measured at fair value - recurring fair value measurements-

As at March 31, 2021* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets :-			
Derivatives designated as hedges			
Principal only swap	-	-	3,770.05
Cross currency interest rate swap	-	-	119.14
Derivatives not designated as hedges			
Principal only swap	-	-	141.71
Cross currency interest rate swap	-	-	-
Total financial assets	**-**	**-**	**4,030.90**

Particulars	Level 1	Level 2	Level 3
Financial liabilities			
Derivatives designated as hedges			
Principal only swap	-	-	913.80
Cross currency interest rate swap	-	-	4.52
Derivatives not designated as hedges			
Principal only swap	-	-	-
Cross currency interest rate swap	-	-	-
Total financial liabilities	**-**	**-**	**918.32**

** Amounts are shown at their Fair value*

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2021* **(₹ in Million)**

Particulars	Level 1	Level 2	Level 3
Financial assets			
Financial assets at amortisation:			
Loan to customers	-	-	269,010.02
Total financial assets	**-**	**-**	**269,010.02**
Financial Liabilities			
Financial liabilities at amortisation:			
Debt securities	-	-	91,202.62
Borrowings (other than debt securities)	-	-	142,305.51
Subordinated liabilities	-	-	6,491.92
Total financial liabilities	**-**	**-**	**240,000.05**

** Amounts are shown at their Fair value*

III. Valuation technique used to determine fair value

MTM calculation is based upon the valuation provided by the registered independent valuer as defined under rule 2 of Companies (Registered Valuers and Valuation), Rules, 2017, for outstanding derivative instrument at reporting date.

Fair value measurements using significant unobservable inputs (level 3)

Pre−tax rate that reflects current market assessments of the time value of money and the risk specific to the asset.

The following table presents changes in level 3 items for the Half Year ended September 30, 2023, September 30, 2022 and year ended March 31, 2023, March 31, 2022 and March 31, 2021:

(₹ in Million)

Particulars	Derivative Instruments	Derivative Item
Gains/(losses) recognised in profit and loss under Derivative deals in derivative accounting	(113.21)	
Gains/(losses) recognised in Other Comprehensive Income	(1,678.62)	(464.01)
As on September 30, 2023	**(1,791.82)**	**(464.01)**
Gains/(losses) recognised in profit and loss under Derivative deals in derivative accounting	100.68	**-**
Gains/(losses) recognised in Other Comprehensive Income	(2,297.41)	(148.18)
As on September 30, 2022	**(2,196.73)**	**(148.18)**
Gains/(losses) recognised in profit and loss under Derivative deals in derivative accounting	124.28	-
Gains/(losses) recognised in Other Comprehensive Income	1,703.77	(2,205.88)
As on March 31, 2023	**1,828.05**	**(2,205.88)**
Gains/(losses) recognised in profit and loss under Derivative deals in derivative accounting	(14.74)	-
Gains/(losses) recognised in Other Comprehensive Income	(1,065.67)	33.35
As on March 31, 2022	**(1,080.41)**	**33.35**
Gains/(losses) recognised in profit and loss under Derivative deals in derivative accounting	(124.73)	-
Gains/(losses) recognised in Other Comprehensive Income	(3,010.65)	(272.21)
As on March 31, 2021	**(3,135.38)**	**(272.21)**

IV. Valuation Processes

For valuation of MTM value of hedge deal, IREDA has obtained valuation from a registered independent expert valuer, who has provided such valuation after considering movement in market position, movement in exchange rate, interest rate etc.

V. Fair value of financial assets and liabilities measured at amortised cost

(₹ in Million)

Particulars	As at September 30, 2023		As at September 30, 2022		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
Financial Assets	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**
Financial assets at amortised cost:										
Loan to customers	466,386.78	467,975.70	328,551.89	329,636.92	461,638.93	463,299.89	330,994.83	332,008.98	268,537.71	269,284.00
Total financial assets	**466,386.78**	**467,975.70**	**328,551.89**	**329,636.92**	**461,638.93**	**463,299.89**	**330,994.83**	**332,008.98**	**268,537.71**	**269,284.00**

(₹ in Million)

Particulars	As at September 30, 2023		As at September 30, 2022		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
Financial liabilities	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**	**Carrying amount**	**Transaction value**
Financial liabilities at amortised cost:										
Debt securities	115,426.98	115,450.55	107,787.46	107,800.55	108,432.83	108,450.55	92,291.39	92,316.55	91,202.62	91,256.55
Borrowings (other than debt securities)	276,581.22	276,581.26	188,023.20	188,023.34	286,726.64	286,726.71	177,346.75	177,346.96	142,305.51	142,305.93
Subordinated liabilities	6,493.73	6,500.00	6,492.96	6,500.00	6,493.33	6,500.00	6,492.60	6,500.00	6,491.92	6,500.00
Total financial liabilities	**398,501.93**	**398,531.80**	**302,303.62**	**302,323.89**	**401,652.80**	**401,677.26**	**276,130.74**	**276,163.51**	**240,000.05**	**240,062.47**

The carrying amount of the trade receivables, trade payables, cash and cash equivalents, other bank balance, other financial assets and liabilities are considered to be same as their fair values, due to their short-term nature.

The fair values for borrowings, loans to companies, debt securities are calculated based on cash flows discounted using current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including own credit risk.

The fair values of non–current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

38. Financial risk management

Risk is managed through a risk management framework, identification measurement and monitoring subject to risk limits and other controls. The Board of Directors is responsible for overall risk management approach and for approving the risk management strategies and principles.

The risk committee has the responsibility for the development of risk strategy and implementing principles, framework, policies and limits. The risk committee is responsible for managing risk decisions and monitoring risk level and report to the Board. The company’s finance & treasury is responsible for managing its assets and liability and overall financial structure. The Company also has ALCO in place and Board approved ALM policy for managing liquidity, funding, reviewing asset liability mismatch and setting up various risk tolerance limits. The finance & treasury is responsible for the funding and liquidity management of the company. The company also has a designated Chief Risk Officer (CRO) as per the directive of the RBI.

Company's activities expose it to market risk, liquidity risk and credit risk. To minimize any adverse effects on the financial performance of the company pertaining to foreign currency exposure arising due to the foreign currency liabilities, derivative financial instruments such as foreign exchange forward contracts, swaps etc. are entered into to hedge foreign currency risk exposures. Derivatives are used exclusively for hedging purpose and not as trading or speculative instruments. A Foreign Exchange and Derivatives Risk Management Policy, and a Foreign Exchange and Derivative Management Committee (FMC) is in place in the Company and hedging instruments are used to lower/mitigate the currency and interest rate risks on the foreign currency borrowings.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial asset measured at amortised cost. (Loan & Advances), trade receivables, derivative financial instruments,	Ageing analysis Credit ratings	Diversification of bank deposits, Credit Exposure limits, letter of credit, Hedging transaction Monitoring
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines, borrowing facilities and also short term loans/ WC limits and OD limits
Market risk– foreign exchange	Fair value or future cash flow of financial instrument will fluctuate due to foreign exchange rate	Cash flow Forecasting Sensitivity analysis	Forward foreign exchange contracts, swaps etc
Market risk– interest Rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk– security prices	Investment in commercial paper	Sensitivity analysis	Portfolio diversification

A. Credit risk

Credit risk is the inherent risk in the lending operation and arises from lowering of the credit quality of the borrowers and the risk of default in repayments by the borrowers. A robust credit appraisal system is in place for the appraisal of the projects in order to assess the credit risk. The process involves appraisal of the projects, rating by external agencies and assessment of credit risk, appropriate structuring to mitigate the risk along with other credit risk mitigation measures.
The Company splits its exposures into smaller homogenous portfolio based on shared credit risk characteristic, as described below in the following order:-

- Secured/ unsecured i.e. based on whether the loans are secured.
- Nature of security i.e. nature of security if the loans are determined to be secured.
- Nature of loan i.e. RE Sector to which the loan has been extended.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument. In determining whether the risk of default has increased significantly since initial recognition, the Company considers more than 30 days overdue as a parameter. Additionally, the Company considers any other observable input indicating a significant increase in credit risk.
The Company defines a financial instrument as in default when it has objective evidence of impairment at the reporting date. It has evaluated these loans under stage III on case to case basis based on the defaulted time, performance/operation of the project. Company has recognized provision on loans and advances on the basis of ECL Model.

Collateral and other credit enhancement

The amount and type of collateral required depends on an assessment of the credit risk. The main type of collaterals are FDR/BGs, Charge on immovable property belonging to the promoter and corporate guarantees on case to case basis.

a) The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for industry concentrations, and by monitoring exposures in relation to such limits.

i. Provision for expected credit losses

Stage	Category	Description of category	Basis for recognition of expected credit loss provision
			Loans
Stage 1	Standard Assets	Assets where counter party has strong capacity to meet the obligations and where risk of default is negligible or nil /regularly paying assets	12-month ECL
Stage 2	Loans with increased credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Lifetime expected credit losses
Stage 3	Loans− Impaired	Assets where there is high probability of default and written off assets where there is low expectation of recovery	Lifetime expected credit losses

ii. Significant estimates and judgements
Impairment of financial assets

(a) Expected Credit Loss (ECL) for loans

(₹ in Million)

Stage	Asset Group	Loan Portfolio as at September 30, 2023	ECL as at September 30, 2023
Stage I	Loan	443,169.30	3,379.38
Stage II	Loan	16,139.65	5,845.49
Stage III	Loan	14,860.81	7,150.05
Total		**474,169.76^**	**16,374.91**

^ Excluding Funded Interest Term Loan (FITL) balance of ₹ 859.72 Million on which equivalent liability is standing in the books

(₹ in Million)

Stage	Asset Group	Loan Portfolio as at September 30, 2022	ECL as at September 30, 2022
Stage I	Loan	297,706.39	3,302.36
Stage II	Loan	22,390.51	5,091.81
Stage III	Loan	17,087.67	8,130.26
Total		**337,184.56**	**16,524.42**

^ Excluding Funded Interest Term Loan (FITL) balance of ₹ 569.79 Million on which equivalent liability is standing in the books.

(₹ in Million)

Stage	Asset Group	Loan Portfolio as on March 31, 2023	ECL as on March 31, 2023
Stage I	Loan	4,39,022.45	5,153.09
Stage II	Loan	16,197.62	4,918.36
Stage III	Loan	15,133.54	7,453.30
Total		**470,353.61***	**17,524.75**

* Excluding Funded Interest Term Loan (FITL) balance of ₹ 294.28 Million on which equivalent liability is standing in the books

(₹ in Million)

Stage	Asset Group	Loan Portfolio as on March 31, 2022	ECL as on March 31, 2022
Stage I	Loan	294,254.14	4,971.09
Stage II	Loan	26,739.48	4,551.91
Stage III	Loan	17,682.54	7,328.64
Total		**338,676.16#**	**16,851.64**

#Excluding Funded Interest Term Loan (FITL) balance of ₹ 545.20 Million on which equivalent liability is standing in the books

(₹ in Million)

Stage	Asset Group	Loan Portfolio as on March 31, 2021	ECL as on March 31, 2021
Stage I	Loan	237,274.61	2,554.73
Stage II	Loan	16,386.24	3,229.48
Stage III	Loan	24,415.53	9,313.29
Total		**278,076.38$**	**15,097.50**

$Excluding Funded Interest Term Loan (FITL) balance of ₹ 419.69 Million on which equivalent liability is standing in the books.

(b) Expected credit loss for trade receivables under simplified approach:

(₹ in Million)

Ageing (As at September 30, 2023)	Not due	0-30 days past due	31-60 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount[1]	21.01	-	-	-	-	21.01
Expected loss rate	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	-	-	-	-	-	-
Balance as at September 30, 2023	**21.01**	-	-	-	-	**21.01**

[1]Represents trade receivable for solar plant assets.

(₹ in Million)

Ageing (As at September 30, 2022)	Not due	0-30 days past due	31-60 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount[1]	30.50	-	-	-	0.00	30.50
Expected loss rate	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	30.50	-	-	-	-	30.50
Balance as at September 30, 2022	**30.50**	-	-	-	-	**30.50**

[1]Represents trade receivable for solar plant assets.

(₹ in Million)

Ageing (As at March 31, 2023)	Not due	0-30 days past due	31-60 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount[1]	30.31	-	-	-	-	**30.31**
Expected loss rate	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	30.31	-	-	-	-	**30.31**
Balance as at March 31, 2023	**30.31**	-	-	-	-	**30.31**

[1]Represents trade receivable for solar plant assets.

(₹ in Million)

Ageing (As at March 31, 2022)	Not due	0-30 days past due	31-60 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount[2]	27.26	-	-	-	-	**27.26**
Expected loss rate	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	27.26	-	-	-	-	**27.26**
Balance as at March 31, 2022	**27.26**	-	-	-	-	**27.26**

[2]Represents trade receivable for solar plant assets.

(₹ in Million)

Ageing (As at March31, 2021)	Not due	0-30 days past due	31-60 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount[3]	29.70	-	-	-	-	**29.70**
Expected loss rate	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-

Carrying amount of trade receivables (net of impairment)	29.70	-	-	-	-	**29.70**
Balance as at March 31, 2021	**29.70**	-	-	-	-	**29.70**

[3]Represents trade receivable for solar plant assets.

B. Liquidity Risk

Liquidity Risk is the inability to meet short term and long-term liabilities as and when they become due. Liquidity is monitored by Liquidity gap analysis. The Liquidity risk is managed by a number of strategies such as short term and long-term resource raising, resource raising based on projected disbursement and maturity profile.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Fixed rate					
− Expiring within one year (Financial institutions−Forex Loans)	707.40	1,457.76	1,470.04	317.34	1,721.98
− Expiring within one year (Bank Loans)	-	-	-	6,000.00	-
−Expiring beyond one year (Financial institutions-Forex Loans)	-	-	-	1,355.07	1,425.25
Floating rate					
− Expiring within one year (Financial institutions −Forex Loans)	2,602.77	4,845.14	4,884.51	-	8,609.90
− Expiring within one year (Bank loans)	42,600.00	17,100.00	57,250.00	20,999.90	-
− Expiring beyond one year (Bank loans)	-	-	-	-	17,520.05
− Expiring beyond one year (Financial institutions –Forex Loans)	-	16,749.95	16,886.53	20,073.79	19,796.67

The company has working capital facilities in the form of cash credit (CC)/overdraft (OD)/short term loan (STL)/working capital demand loan (WCDL) aggregating to ₹ 29,300 Million for the Half Year ended September 30, 2023 and ₹ 34,300 Million for the Half Year ended September 30, 2022 (₹ 29,300.00 Million for FY 2022-23, ₹ 32,300.00 Million for FY 2021-22; ₹ 11,780.00 Million for FY 2020−21). The utilization of overall working capital as at September 30, 2023: ₹ 8,000 Million & as at September 30, 2022: ₹ Nil Million (March 31, 2023: ₹10,000.00 Million; March 31, 2022: ₹ 2,014.42 Million & March 31, 2021: ₹ 4,601.57 Million).

Maturities of financial liabilities

The tables below analyse the company’s financial liabilities into relevant maturity groupings based on their contractual maturities for: all non− derivative financial liabilities for which the contractual maturities are essential for an understanding of the timing of the cash flows: −

The amounts disclosed in the table are the contractual undiscounted cash flows.

As at September 30, 2023 **(₹ in Million)**

Particulars	1-7 Days	8-14 Days	15- 30/ 31 days (1 month)	Over 1 month -2 months	Over 2 months - 3 months
Rupee Borrowings	-	-	10,291.67	796.4	7,384.73
Foreign Currency liabilities	-	-	722.29	556.66	1,077.57

Particulars	Over 3 months - upto 6 months	Over 6 months -upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Rupee Borrowings	35,356.30	22,031.03	95,938.45	30,987.26	98,888.28	**301,674.12**
Foreign Currency liabilities	1,703.83	4,060.33	16,242.01	15,796.85	56,698.15	**96,857.68**

As at September 30, 2022 **(₹ in Million)**

Particulars	1-7 Days	8-14 Days	15- 30/ 31 days (1 month)	Over 1 month -2 months	Over 2 months - 3 months
Rupee Borrowings	-	19,500.00	-	416.67	2,905.57
Foreign Currency liabilities	-	-	691.01	400.55	1,912.74

Particulars	Over 3 months - upto 6 months	Over 6 months -upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Rupee Borrowings	3,353.01	10,917.96	61,919.89	33,495.77	69,988.32	**202,497.19**
Foreign Currency liabilities	915.24	3,756.15	15,833.19	15,143.12	61,174.71	**99,826.70**

As at March 31, 2023 **(₹ in Million)**

Particulars	1-7 Days	8-14 Days	15- 30/ 31 days (1 month)	Over 1 month -2 months	Over 2 months - 3 months
Rupee Borrowings	-	-	5,208.33	3,796.40	10,353.14
Foreign Currency liabilities	-	-	696.64	1,180.76	1,134.06

(₹ in Million)

Particulars	Over 3 months - upto 6 months	Over 6 months -upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Rupee Borrowings	11,291.49	45,853.54	99,032.44	36,924.36	87,888.28	**300,347.98**
Foreign Currency liabilities	734.25	4,928.71	16,077.47	16,086.34	60,491.05	**101,329.28**

As at March 31, 2022 **(₹ in Million)**

Particulars	1-7 Days	8-14 Days	15- 30/ 31 days (1 month)	Over 1 month -2 months	Over 2 months - 3 months
Rupee Borrowings	2,014.42	-	-	416.67	5,104.83
Foreign Currency liabilities	-	-	642.33	423.30	2,040.30

(₹ in Million)

Particulars	Over 3 months - upto 6 months	Over 6 months -upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Rupee Borrowings	3,309.25	27,023.75	51,889.36	25,189.24	56,895.68	**171,843.20**
Foreign Currency liabilities	702.95	3,980.47	15,800.60	15,253.18	65,477.19	**104,320.32**

As at March 31, 2021 **(₹ in Million)**

Particulars	1-7 Days	8-14 Days	15- 30/ 31 days(1 month)	Over 1 month -2 months	Over 2 months - 3 months
Rupee Borrowings	4,601.57	-	1,500.00	-	814.78
Foreign Currency liabilities	-	-	581.91	430.50	2,082.06

(₹ in Million)

Particulars	Over 3 months - upto 6 months	Over 6 months -upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Rupee Borrowings	1,311.74	2,002.27	54,583.84	9,193.12	62,875.04	**136,882.36**
Foreign Currency Liabilities	869.44	3,785.41	16,310.20	17,328.95	61,791.64	**103,180.11**

C. Market Risk

Market risk is the possibility of loss mainly due to fluctuation in the interest rates and foreign currency exchange rates. To mitigate the lending interest rate risk, the Company has a Committee which periodically reviews its lending rates based on market conditions, ongoing interest rates of the peers and incremental cost of borrowings.
Company's borrowings comprise of both floating rate and fixed rate borrowings linked to benchmark rates as applicable. For the foreign currency borrowings, the Company mitigates the risk due to floating interest rate by taking hedging arrangements. Further the Company periodically monitors the floating rate linked portfolio.

The foreign exchange borrowings from overseas lending agencies exposes the company to foreign currency exchange rate movement risk. As per the Board approved policy, company mitigates the foreign currency exchange rate risk by undertaking various derivative instruments to hedge the risk such as Principal only swap, Currency and Interest Rate Swaps (derivatives transactions), forward contracts etc. These derivative contracts, carried at fair value, have varying maturities depending upon the underlying contract requirement and risk management strategy of the Company.

I. Foreign currency risk: -

The Company has foreign exchange exposure in the form of borrowings from overseas lending agencies as part of its resources raising strategy. Large cross border flows together with the volatility may render IREDA's Balance Sheet vulnerable to exchange rate movements. As per its Board approved policy, Company mitigates the foreign exchange risk through Principal only swap, Currency and Interest Rate Swap etc. (derivatives transactions). These foreign exchange contracts, carried at fair value, have varying maturities depending upon the underlying contract requirement and risk management strategy of the Company.

(a) Foreign currency risk exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows: -

(₹ in Million)

Particulars	As at September 30, 2023		
	USD	**Euro**	**JPY**
Financial assets			
Bank balance in Foreign countries	2,078.94	-	-
Derivative assets			
Foreign exchange swap contracts	4,105.93	228.9	181.61
Financial liabilities			
Foreign currency loan	48,398.9	17,031.35	31,427.42
Derivative liabilities			
Foreign exchange swap contracts	136.12	188.75	1,408.93
Net exposure to foreign currency risk (liabilities)	**42,350.15**	**16,991.2**	**32,654.73**
Net exposure to foreign currency risk (Assets)	-	-	-

(₹ in Million)

Particulars	As at September 30, 2022		
	USD	**Euro**	**JPY**
Financial assets			
Bank balance in Foreign countries	0.27	-	-
Derivative assets			

Foreign exchange swap contracts	4,342.64	-	194.43
Financial liabilities			
Foreign currency loan	48,419.13	18,799.44	32,608.13
Derivative liabilities			
Foreign exchange swap contracts	27.89	1,339.51	3,143.66
Net exposure to foreign currency risk (liabilities)	**44,104.1**	**20,138.95**	**35,557.37**
Net exposure to foreign currency risk (Assets)	-	-	-

(₹ in Million)

Particulars	**As at March 31, 2023**		
	USD	**Euro**	**JPY**
Financial assets			
Bank balance in Foreign countries	0.27	-	-
Derivative assets			
Foreign exchange swap contracts	4,961.4	292.17	486.95
Financial liabilities			
Foreign currency loan	47,382.88	18,693.72	35,252.67
Derivative liabilities			
Foreign exchange swap contracts	1.5	82.15	1,431.04
Net exposure to foreign currency risk (liabilities)	**42,422.71**	**18,483.7**	**36,196.76**
Net exposure to foreign currency risk (Assets)	-	-	-

(₹ in Million)

Particulars	**As at March 31, 2022**		
	USD	**Euro**	**JPY**
Financial assets			
Bank balance in Foreign countries	0.25	-	-
Derivative assets			
Foreign exchange swap contracts	3,459.67	73.5	450.14
Financial liabilities			
Foreign currency loan	46,155.88	21,755.79	36,408.64
Derivative liabilities			
Foreign exchange swap contracts	72.88	307.64	1,445.24
Net exposure to foreign currency risk (liabilities)	**42,768.84**	**21,989.93**	**37,403.74**
Net exposure to foreign currency risk (Assets)			

(₹ in Million)

Particulars	**As at March 31, 2021**

	USD	Euro	JPY
Financial assets			
Bank balance in Foreign countries	175.07	-	-
Derivative assets			
Foreign exchange swap contracts	3,122.17	394.15	514.59
Financial liabilities			
Foreign currency loan	38,294.19	25,089.83	39,796.09
Derivative liabilities			
Foreign exchange swap contracts	181.8	149.71	586.82
Net exposure to foreign currency risk (liabilities)	**35,178.84**	**24,845.39**	**39,868.32**
Net exposure to foreign currency risk (Assets)			

(b) Sensitivity

Sensitivity of profit and loss due to changes in exchange rates arises mainly from foreign currency denominated financial instruments. The below table presents the impact on Statement of Profit and Loss (+ Gain / (−) Loss) due to changes in foreign currency exchange rate against INR by 5% on foreign currency exposure*: −

(₹ in Million)

Particulars	As at September 30, 2023		As at September 30, 2022		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase
	On account of change in foreign exchange rate		On account of change in foreign exchange rate		On account of change in foreign exchange rate		On account of change in foreign exchange rate		On account of change in foreign exchange rate	
USD Sensitivity	(56.59)	56.59	(117.14)	117.14	(50.88)	50.88	(104.15)	104.15	(102.90)	102.90
EUR Sensitivity	194.05	(194.05)	233.09	(233.09)	261.36	(261.36)	303.77	(303.77)	409.92	(409.92)
JPY Sensitivity	1,002.45	(1,002.45)	562.30	(562.30)	666.37	(666.37)	642.76	(642.76)	733.97	(733.97)

*Holding all other variables constant

II. Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates to the long−term foreign currency loans with floating interest rates and floating interest rate term loan from banks. The Company manages its foreign currency interest rate risk according to its Board approved Foreign Currency and Derivative Risk Management policy.

The company's fixed rate rupee borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings					
Domestic	107,296.26	40,191.37	105,641.78	26,429.84	5,229.96
International	35,406.01	35,559.29	34,932.68	35,193.93	36,994.10
Total	**142,702.26**	**75,750.67**	**140,574.46**	**61,623.77**	**42,224.06**

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars		Impact on profit after tax			
	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Interest rates − increase by 50 basis points*	(713.51)	(378.75)	(702.87)	(308.12)	(211.12)
Interest rates − decrease by 50 basis points	713.51	378.75	702.87	308.12	211.12

* Holding all other variables constant

(c) Impact of hedging activities

Derivative financial instruments and Hedge accounting

The Company has a Board approved policy for undertaking derivative financial instruments, such as Principal Only Swap (POS), Cross Currency & Interest Rate Swap (CCIRS), Forwards, Interest Rate Swaps (IRS), Cross, Currency and Cross Currency Options, structured / cost reduction products etc. to hedge and mitigate its foreign currency risks and interest rate risks.

The Company uses derivative financial instruments, in form of Principal Only Swap (POS), Cross Currency & Interest Rate Swap (CCIRS), Forwards, Interest Rate Swaps (IRS), Cross, Currency and Cross Currency Options, structured / cost reduction products etc. to hedge its foreign currency risks and interest rate risks.

Hedge ineffectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company applies the following effectiveness testing strategies:

− For cross currency swaps and interest rate swaps that exactly match the terms of the hedged item, the economic relationship and hedge effectiveness are based on the qualitative factors using critical terms match method.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Movement in cash flow hedge reserve:

(₹ in Million)

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March31, 2022	For the year ended March31, 2021
Balance at the beginning of the year	**(698.14)**	**1,200.26**	**1,200.25**	**2,232.57**	**5,515.43**
Change in the fair value of effective portion of hedging instruments	(1,678.62)	(2,297.41)	1,703.77	(1,065.67)	(3,010.65)
Foreign exchange gain/ (losses) on hedged items.	(464.01)	(148.18)	(2,205.88)	33.35	(272.21)
Balance at the end of the year (Before taxes)	**(2,840.77)**	**(1,245.33)**	**698.14**	**1,200.25**	**2,232.57**

Disclosures of effects of hedge accounting on Balance Sheet:

As at September 30, 2023

Type of hedge and risks	Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging Instruments (₹ in Million)
Cash flow hedge				
Foreign exchange & interest rate risk				
(i) Principal Only Swaps				
- USD	15-Oct-2024 to 09-Mar-2037	1: 1	69.6079	(1,006.68)
- EUR	30-Dec-2023 to 31-May-2029	1: 1	81.2188	(169.59)
- JPY	19-Sept-2023 to 20-Mar-2025	1: 1	0.6233	(51.29)
(ii) Cross Currency Interest Rate Swaps				
- USD	15-July-2026 to 15-Oct-2026	1: 1	67.0747	8.88
- EUR	30-Jun-24	1: 1	81.4000	(0.29)
- JPY	19-Jun-24	1: 1	0.5925	(111.02)

As at September 30, 2022

Type of hedge and risks	Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging Instruments (₹ in Million)
Cash flow hedge				
Foreign exchange & interest rate risk				
(i) Principal Only Swaps				
- USD	15-Oct-2024 to 09-Mar-2037	1: 1	69.5565	496.78
- EUR	30-Dec-2023 to 31-May-2029	1: 1	81.6137	(1,098.20)
- JPY	19-Sept-2023 to 20-Mar-2025	1: 1	0.6480	(1,849.53)
(ii) Cross Currency Interest Rate Swaps				
- USD	15-July-2026 to 15-Oct-2026	1: 1	67.0757	330.50
- EUR	30-Jun-24	1: 1	81.4000	(7.17)
- JPY	19-Jun-24	1: 1	0.5925	(104.60)

As at March 31, 2023

Type of hedge and risks	Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging Instruments (₹ in Million)
Cash flow hedge				
Foreign exchange & interest rate risk				
(i) Principal Only Swaps				
- USD	15-Oct-2024 to 09-Mar-2037	1: 1	69.5835	1,067.28
- EUR	30-Dec-2023 to 31-May-2029	1: 1	81.3355	441.35
- JPY	19-June-2023 to 20-Mar-2025	1: 1	0.6481	69.53
(ii) Cross Currency Interest Rate Swaps				
- USD	15-July-2026 to 15-Oct-2026	1: 1	67.0752	3,51.28
- EUR	30-Jun-24	1: 1	81.4000	2.81
- JPY	19-Jun-24	1: 1	0.5925	11.75

As at March 31, 2022

Type of hedge and risks	Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging Instruments (₹ in Million)
Cash flow hedge				
Foreign exchange & interest rate risk				
(i) Principal Only Swaps				
- USD	15-Oct-2024 to 09-Mar-2037	1: 1	69.5146	272.83
- EUR	30-Dec-2022 to 31-May-2029	1: 1	81.7493	(476.30)
- JPY	19-Mar-2023 to 20-Mar-2025	1: 1	0.6480	(942.12)
(ii) Cross Currency Interest Rate Swaps				
- USD	15-July-2026 to 15-Oct-2026	1: 1	67.0760	188.33
- EUR	30-Jun-2024	1: 1	81.4000	(2.28)
- JPY	19-Jun-2024	1: 1	0.5925	19.25

As at March 31, 2021

Type of hedge and risks	Maturity dates	Hedge ratio	Weighted average strike price/rate	Change in fair value of hedging Instruments (₹ in Million)
Cash flow hedge				
Foreign exchange and interest rate risk				
(i) Principal Only Swaps				
- USD	15-Oct-2024 to 07-Oct-2035	1: 1	67.6734	(2,145.80)
- EUR	28-May-2021 to 31-May-2029	1: 1	81.3521	866.03
- JPY	19-June-2021 to 20-Mar-2025	1: 1	0.6590	(1,462.38)
(ii) Cross Currency Interest Rate Swaps				
- USD	15-July-2026 to 15-Oct-2026	1: 1	67.0767	(100.64)
- EUR	30-Jun-2024	1: 1	81.4000	(44.97)
- JPY	19-Jun-2024	1: 1	0.5925	(166.29)

For details regarding notional amounts and carrying amount of derivatives, please refer Note 4 – Derivative financial Instruments in the financial statements.

Effects of hedge accounting on statement of Profit and loss and other comprehensive income: -

As at September 30, 2023 **(₹ in Million)**

Type of hedge	Change in fair value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss	Foreign exchange gain /(Losses) on hedged item	Line item affected in other comprehensive income
Cash Flow Hedge				
Foreign exchange and interest rate risk	(1,678.62)	-	(464.01)	Effective portion of gain/ (loss) on hedging instrument in cash flow hedge reserve

As at September 30, 2022 **(₹ in Million)**

Type of hedge	Change in fair value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss	Foreign exchange gain /(Losses) on hedged item	Line item affected in other comprehensive income
Cash Flow Hedge				
Foreign exchange and	(2,297.41)	-	(148.18)	Effective portion of gain/

interest rate risk				(loss) on hedging instrument in cash flow hedge reserve

As at March 31, 2023 **(₹ in Million)**

Type of hedge	Change in fair value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss	Foreign exchange gain /(Losses) on hedged item	Line item affected in other comprehensive income
Cash Flow Hedge				
Foreign exchange and interest rate risk	1,703.77	-	(2,205.88)	Effective portion of gain/ (loss) on hedging instrument in cash flow hedge reserve

As at March 31, 2022 **(₹ in Million)**

Type of hedge	Change in fair value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss	Foreign exchange gain /(Losses) on hedged item	Line item affected in other comprehensive income
Cash Flow Hedge				
Foreign exchange and interest rate risk	(1,065.67)	-	33.35	Effective portion of gain/ (loss) on hedging instrument in cash flow hedge reserve

As at March 31, 2021

(₹ in Million)

Type of hedge	Change in fair value of hedging instrument recognised in other Comprehensive income	Hedge ineffectiveness recognized in statement of profit and loss	Foreign exchange gain /(Losses) on hedged item	Line item affected in other comprehensive income
Cash Flow Hedge				
Foreign exchange and interest rate risk	(3,010.65)	-	(272.21)	Effective portion of gain/ (loss) on hedging instrument in cash flow hedge reserve

39. Capital Management

Risk Management:

The primary objective of the Company's capital management policy is to ensure compliance with regulatory capital requirements. In line with this objective, the Company ensures adequate capital at all times and manages its business in a way in which capital is protected, satisfactory business growth is ensured, cash flows are monitored and rating are maintained. Consistent with others in the industry, the Company monitors capital on the basis of the following ratio: Net debt (total borrowings) divided by Total 'Equity' as shown in the balance sheet.

The debt −equity ratio of the Company is as follows:

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Debt	398,501.93	302,303.62	401,652.80	276,130.73	240,000.05
Equity (including capital reserve)	65,806.12	56,383.14	59,351.70	52,681.13	29,956.00
Debt-Equity Ratio	**6.06**	**5.36**	**6.77**	**5.24**	**8.01**

40. Disclosure required under SEBI guidelines for "Funds raising by issuance of Debt Securities by Large Entities" :
In compliance with SEBI circular no. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, IREDA identified itself as a Large Entity Corporate for the Financial Year 2022-23, 2021-22 & 2020−21 as per the applicability criteria given under the aforesaid circular. Accordingly, the following is being disclosed:

Name of the Company	INDIAN RENEWABLE ENERGY DEVELOPMENT AGENCY LTD
CIN	U65100DL1987GOI027265
Report filed for FY	2022-23, 2021-22 and 2020-2021

For the Half Year ended September 30, 2023

These being interim financials, the compliance for the relevant regulation for the financial year shall be done in the annual financial statements of the financial year 2023-24.

For the Half Year ended September 30, 2022

These being interim financials, the compliance for the relevant regulation for the financial year shall be done in the annual financial statements of the financial year 2022-23

For the year ended March 31, 2023

(₹ in Million)

Particulars	For the year ended March 31, 2023
2-year Block period	2022-23, 2023-24
Incremental borrowing done in FY 22-23 (approx.) (a)	1,579.34*
Mandatory borrowing to be done through issuance of debt Securities (approx.) (b)= (25% of a)	394.84
Actual borrowings done through debt securities in FY (c)	386.34
Shortfall in the mandatory borrowing through debt securities for FY 21-22 carried forward to FY 22-23 (d) {If the calculated value is zero or negative, write "nil"}	103.18
Quantum of (d) , which has been met from (c),(e)	103.18
Shortfall, if any, in the mandatory borrowing through debt securities for FY 2022-23 (approx.) (f)=(b)-((c)-(e))	111.67

*Excludes Loan from Bilateral/Multilateral institutions and Short-Term Loans.

Details of penalty to be paid, if any, in respect of previous block: **NIL**

For the year ended March 31, 2022

(₹ in Million)

Particulars	For the year ended March 31, 2022
2-year Block period	2021-22, 2022-23
Incremental borrowing done in FY 2022 (approx.) (a)	45,510.10*
Mandatory borrowing to be done through issuance of debt Securities (approx.) (b)= (25% of a)	11,377.53
Actual borrowings done through debt securities in FY 2022 (c)	1,060.00
Shortfall in the mandatory borrowing through debt securities for FY-2021 carried forward to FY 2022 (d)	N.A.
Quantum of (d), which has been met from (c), (e)	N.A.
Shortfall, if any, in the mandatory borrowing through debt securities for FY-2021-22 (approx.) (f)=(b)-((c)-e)	10,317.53***

*Excludes Loan from Bilateral/Multilateral institutions and Short-Term Loans.

Details of penalty to be paid, if any, in respect of previous block: **NIL**

***The necessary compliances shall be made in the 2-year block period.

For the year ended March 31, 2021

(₹ in Million)

Particulars	For the year ended March 31, 2021
	Details
Incremental borrowing done in FY (approx.) (a)	34,600.00*
Mandatory borrowing to be done through issuance of debt Securities (b)= (25% of a)	8,650.00
Actual borrowings done through debt securities in FY (c)	5,000.00
Shortfall in the mandatory borrowing through debt securities, if any (d)= (b)− (c)	3,650.00
Reasons for short fall, if any, in mandatory borrowings through debt securities	**

*Excludes loan from Bilateral / Multilateral institutions & short term loans.
Details of penalty to be paid, if any, in respect of previous block: **NIL**

** For FY 2020−21, IREDA had raised ₹ 5,000 Million via taxable bonds − sub debt in May 2020. Due to pandemic, major disbursement of IREDA took place in last Half Year, especially in March, 21. Accordingly, borrowings from domestic sources were majorly done in the last Half Year of FY 2020−21 with maximum portion raised in March, 21. In order to on−lend at competitive interest rates, IREDA raised resource from the cheapest source of fund. Fund raising through bond market was comparatively costlier vis-a-vis term loans from banks. Hence, from economic point of view, a substantial portion of fund raising was done through term loans from domestic banks.

41. Disclosure related to COVID 19

For the Half Year ended September 30, 2023

Nil

For the Half Year ended September 30, 2022

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets and ECL calculations for the period. The impact of COVID-19 has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which the COVID-19 pandemic will continue to impact the Company's results will depend on ongoing as well as future developments, which are highly uncertain. Further the Company will continue to closely monitor any material changes to future economic conditions.

For the year ended March 31, 2023

The Company has considered the possible effects from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets and ECL calculations. The Company will continue to closely monitor any material changes to future economic conditions.

For the year ended March 31, 2022

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets and ECL calculations for the period. The impact of COVID-19 has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which the COVID-19 pandemic will continue to impact the Company's results will depend on ongoing as well as future developments, which are highly uncertain. Further the Company will continue to closely monitor any material changes to future economic conditions.

For the year ended March 31, 2021

a) Disclosure pursuant to Reserve Bank of India Circular OR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 pertaining to Asset Classification and Provisioning in terms of COVID-19 Regulatory Package:

In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, the Company had offered moratorium on the payment of installments falling due between March 1, 2020 and August 31, 2020 ('moratorium period') to eligible borrowers. In respect of accounts where moratorium benefit was granted, the staging of those accounts as at March 31, 2021 is based on the days past due status.

(₹ in Million)

SI.	Particulars	March 31, 2021#
(i)	Respective amounts in SMA/overdue categories, where the moratorium / deferment was extended upto August 31, 2020	8,208.64
(ii)	Respective amount where asset classification benefits is extended	8,208.64
(iii)	General provision made*	-
(iv)	General provision adjusted during the period against slippages and the residual provisions	-

* The Company, being NBFC, has complied with Ind-AS and guidelines duly approved by the Board for recognition of the impairments.
# Borrower loan accounts amounting to ₹ 2,824.57 Million have been treated as NPA / closed during the FY 2020-2021.

b) Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19 has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The extent to which the COVID 19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Company's results will depend on ongoing as well as future developments, which are highly uncertain. The COVID -19 impact has been considered in the ECL calculation during the year.

c) In view of the Supreme Court interim order dated September 3, 2020 in public interest litigation (PIL) by Gajendra Sharma vs. Union of India & ANR, no additional borrower accounts under moratorium granted category was classified as Non-Performing Asset (NPA) which was not declared as NPA till August 31, 2020. Basis said interim order, until December 31, 2020, the Company did not classify any additional borrower account as NPA which were not NPA as of August 31, 2020.

The interim order granted to not declare accounts as NPA stood vacated on March 23, 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021- 22/17DOR. STR.REC.4/21.04.048/2021-22 dated April 7, 2021, the Company has carried out asset classification of the borrower accounts as per the extant RBI instructions / IRAC norms, without considering any standstill in asset classification and also done staging of the borrower accounts in accordance with ECL model / framework under Ind AS in the financial statements for the year ended March 31, 2021.

In accordance with the RBI Circular No. RBI/2021-22/17 DOR.STR.REC.4/21.04.048/2021-22 dated April 7, 2021 and the methodology for calculation of interest on interest based on guidance issued by Indian Banks' Association, the Company has put in place a Board approved policy to refund / adjust interest on interest charged to borrowers during the moratorium period, i.e. March 1, 2020 to August 31, 2020. The Company has estimated the said amount and made a provision in the financial statements for the year ended March 31, 2021. As on March 31, 2021, the Company holds a specific liability of ₹ 25.00 Million which is debited to interest income to meet its obligation towards refund of interest on interest to eligible borrowers as prescribed by the RBI. Accordingly, interest income for the year ended March 31, 2021 is lower by ₹ 25.00 Million.

42. Payment of Guarantee Fees to Government of India

During the Covid period of FY 2020-21, RBI has provided option of moratorium for a period of six months on all installments falling due within the said period starting from March 01, 2020, accordingly IREDA has also provided moratorium to its borrowers. In view of option of moratorium as given by RBI and considering the COVID pandemic situation, IREDA requested to MNRE (Government of India) for deferment of payment of Government of India guarantee fee of FY 2020-21 due on April 01, 2020, for a period of six months and also paid the same on July 22, 2020. This matter is under process with them however as a part of prudent accounting practice, a provision ₹ 323.80 Million has been made in the books of account towards liability arising due to delay in payment of guarantee fee. The same has been further settled on 13th October 2023.

43. Consortium matter under NCLT – M/s Gangakhed Sugar & Energy Limited

During the financial year 2019-20, a fraud was detected by UCO Bank and other bankers of M/s Gangakhed Sugar & Energy Limited. UCO bank has declared the account as fraud on May 11, 2020, and OBC has declared the said account as fraud on January 21, 2020. The Company has sanctioned a project loan of ₹ 1000.00 Million out of which an amount of ₹ 462.34 Million is outstanding as on 30.09.2023 (as on 30.09.2022: ₹ 510.80 Million). The said account is NPA in the books of the Company since 30.09.2019. IREDA's loan facility was takeout of existing loan towards Cogeneration asset. As per the audit report shared by consortium lead, no instance of fraud was mentioned towards cogeneration asset. The Borrower Company exposure has been resolved under insolvency process through NCLT and as per their order dt 17 Feb. 2023, resolution plan has been approved. In favor of successful resolution applications IREDA has started receiving funds in terms of resolution plan.

44. Disclosure - for AP cases involving Power Purchase Agreement (PPA) issue- Accounts with over dues beyond 90 days but not treated as credit impaired.

Several borrowers have obtained an interim order from Hon'ble High Court of Andhra Pradesh to not to classify the account as Non-Performing Asset. Accordingly, the loan outstanding of the borrower have not been classified as Stage III Asset, even though the overdues are more than 90 days old. However, the Company has created an adequate provision of ₹ 5329.83 Million on loan outstanding of ₹ 8,867.02 Million in the books of accounts as per Expected Credit Loss (ECL) as at September 30, 2023 & provision of ₹ 4282.18 Million on Loan outstanding of ₹ 11,367.69 Million as at September 30, 2022 (March 31, 2023: ₹ 4,851.05 Million on loan outstanding of ₹ 8,931.29, March 31, 2022: ₹ 3,954.37 Million on loan outstanding of ₹ 9,187.92 Million; March 31, 2021: ₹ 2,523.30 Million on Loan outstanding of ₹ 8,323.22 Million) after considering the financial and operational parameters of the projects. Though the accounts are not declared as NPA but the income is booked into these accounts on Cash / realization basis. (i.e. any 'interest due and not received' is reversed and not been taken as interest income).

(₹ in Million)

Particulars	No. of a/c	Outstanding amount	Overdue amount	ECL amount
As at September 30, 2023	7	8,867.02	6,160.63	5,329.83
As at September 30, 2022	9	11,367.69	4,870.14	4,282.18
As at March 31, 2023	7	8,931.29	5,493.27	4,764.67
As at March 31, 2022	8	9,187.92	4,004.15	3,954.37
As at March 31, 2021	7	8,323.22	2,025.04	2,523.30

45. Equity Infusion

In the budget announcement of February 2021, Hon'ble Finance Minister had announced infusion of ₹ 15,000.00 Million as equity in the company. During the year, the Government of India infused equity of ₹ 15,000.00 Million, as a result the Paid-up Equity Share Capital of the Company increased to ₹ 22,846.00 Million as at the year ended March 31, 2022 as against ₹ 7,846.00 Million in the year ended March 31, 2021. Accordingly, the 1,500,000,000 equity shares were allotted on March 31, 2022 to the President of India, through Secretary, Ministry of New and Renewable Energy (MNRE). Paid up equity capital as on September 30, 2023: ₹ 22846.00 Million & as on September 30, 2022: ₹ 22,846.00 Million (March 31, 2023: ₹ 22,846.00 Million; March 31, 2022: ₹ 22,846.00 Million & March 31, 2021: ₹ 7,846.00 Million).

Said infusion of equity has enhanced the capital base, and enabled the company to leverage it and do higher on lending for Renewable Energy (RE) projects thus contributing in the Government of India target of RE capacity installation. (Refer Note 25 of the restated standalone and consolidated financial statements).

46. Disclosure in respect of Indian Accounting Standard (Ind AS) -20 "Accounting for Government Grant and Disclosure of Government Assistance".

A) Grant for Capital Assets

i) Intangible assets under development

The expenditure incurred for development of Enterprise Resource Planning (ERP) software − Microsoft Dynamics 365 (D365), which are eligible for capitalization under intangible assets is carried as 'Intangible assets under development ' till they are ready for their intended use. As on Half Year ended September 30, 2023, the Company has disclosed an amount of ₹ 48.56 Million & September 30, 2022: ₹ 42.54 Million (March 31, 2023: ₹ 48.56 Million; March 31, 2022: ₹ 31.12 Million & March 31, 2021: ₹ Nil Million) under "Intangible assets under development". (Refer Note 15 of the Restated Standalone and Consolidated Financial Information)

ii) World Bank Clean Technology Fund (CTF) Grant: -

World Bank CTF Grant received related to Intangible assets under development are treated as deferred income and are recognized in the Statement of Profit and Loss on a systematic and rational basis over the useful life of the asset. Systematic allocation of deferred income will start from the date of being ready for intended use of software − Microsoft Dynamics 365 (D365).

The Company has disclosed ₹ 48.56 Million as grant (including reimbursement, direct disbursement to vendor and amount yet to be reimbursed from World Bank for expenses incurred) for the Half Year ended September 30, 2023 and for September 30, 2022: ₹ 42.54 Million (March 31, 2023: ₹ 48.56 Million; March 31, 2022: ₹ 31.12 Million & March 31, 2021: ₹ Nil Million) towards the development of intangible assets till September 30, 2023. The Company has disclosed the said grant as "Capital Grant from World Bank −Clean Technology Fund (CTF)" under "Other non-financial liabilities". (Refer Note 24 of the Restated Standalone and Consolidated Financial Information)

B) Revenue Grant: -

The Company has received a revenue grant "Technical Assistance" (TA) from KFW and World Bank, amounting to ₹ 23.13 Million excluding taxes for the Half Year ended September 30, 2023 & September 30, 2022: ₹ 31.12 Million (year ended March 31, 2023: ₹ 21.44 Million; March 31, 2022: ₹ 42.95 Million & March 31, 2021: ₹ 24.58 Million, excluding taxes) for engaging external consultant to assess loan applications submitted by borrowers for credit line of KFW and IREDA. The Company in compliance with Ind AS 20 "Government grant and assistance" has adopted to present its revenue grant as deduction to the related expenses. Following table discloses the amount recognized in the statement of profit and loss account:-

(₹ in Million)

Periods	TA Component received	Expenses incurred	Net amount recognized in profit and loss
For the Half Year ended September 30, 2023	23.13	23.13	
For the Half Year ended September 30, 2022	13.12	13.12	-
For the year ended March 31, 2023	21.44	21.44	-
For the year ended March 31, 2022	42.95	42.95	-
For the year ended March 31, 2021	24.58	24.58	-

47. Title deeds of Immovable Properties not held in name of the Company.

As at September 30, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter /director	Property held since	Reason for not being held in the name of the company
Right of use asset	Office premises-IHC	17.23	-	No	Allotment letter dt. 12.04.1993	The execution of Tripartite Conveyance Deed / Agreement by India Habitat Centre (IHC) [between Land & Development Office (L&DO), IHC and allottee institutions] is pending in respect of all allottee institutions at IHC including IREDA. IHC is following with L&DO for execution of lease deed. Draft of lease deed has been cleared by L&DO. IHC on 24.03.23 has informed that the matter has been resolved amicably and court passed the order to the same effect. Further, two other petitions were also withdrawn by both the parties IHC and SDMC vide order dated April 11, 2023. Company is communicating with IHC for execution of tripartite lease deed vide email dated April 24, 2023 and July 11, 2023.
	Office premises-AKB	211.01	-	No	Allotment letter dt. 04.12.2006	The transfer of property rights is being followed with Housing Urban Development Corporation Limited (HUDCO). Latest communication was sent on April 24, 2023.
	Office premises-NBCC Kidwai Nagar	1226.71	-	No	Allotment letter dt. 04.09.15	The final draft lease deed was forwarded by IREDA to NBCC for further necessary action for execution of Lease deed between the President of India, acting through Dy. Land & Development Officer- IV, Land & Development Office, Ministry of Housing & Urban Affairs and IREDA. The matter has been taken up further with NBCC w.r.t date of possession and start date of lease for the aforesaid properties before execution of the same.
Right of use asset	Residential Flats - NBCC Kidwai Nagar	66.09	-	No	Allotment letter dt. 14.11.2018	The final draft lease deed was forwarded by IREDA to NBCC for further necessary action for execution of Lease deed between the President of India, acting through Dy. Land & Development Officer- IV, Land & Development Office, Ministry of Housing & Urban Affairs and IREDA. The matter has been taken up further with NBCC w.r.t date of possession and start date of lease for the aforesaid properties before execution of the same.

Investment property	Residential flat	0.88	-	No	23.06.1994	The transfer of property is being followed by Hindustan Prefab Limited (HPL) with L&DO, Thereafter, the execution of Deed will take place. Latest communication was sent on April 24, 2023.

As at 30.09.2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in millions)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter /director	Property held since	Reason for not being held in the name of the company
Right of use asset	Office premises-IHC	17.23	-	No	Allotment letter dt. 12.04.1993	The execution of Tripartite Conveyance Deed / Agreement by India Habitat Centre (IHC) [between Land & Development Office (L&DO), IHC and allottee institutions] is pending in respect of all allottee institutions at IHC including IREDA. IHC is following with L&DO for execution of lease deed. Draft of lease deed has been cleared by L&DO.
	Office premises-AKB	211.01	-	No	Allotment letter dt. 04.12.2006	The transfer of property rights is being followed with Housing Urban Development Corporation Limited (HUDCO). Latest communication made as on 22.02.2022.
Investment property	Residential flat	0.88	-	No	23.06.1994	The transfer of property is being followed by Hindustan Prefab Limited (HPL) with L&DO, latest communication made as on 17.02.22. Thereafter, the execution of Deed will take place.

As at March 31, 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter /director	Property held since	Reason for not being held in the name of the company
Right of use asset	Office premises-IHC	17.23	Occupied on the basis of Allotment Letter Issued by IHC	No	Allotment letter dt. April 12, 1993	The execution of Tripartite Conveyance Deed / Agreement by India Habitat Centre (IHC) [between Land & Development Office (L&DO), IHC and allottee institutions] is pending in respect of all allottee institutions at IHC including IREDA. IHC is following with L&DO for execution of lease deed. Draft of lease deed has been cleared by L&DO. IHC on March 24, 2023 has informed that the matter has been resolved amicably and court passed the order to the same effect. Further, two other petitions were also withdrawn by both the parties IHC and SDMC vide order dated April 11, 2023.

						Company is communicating with IHC for execution of tripartite lease deed.
	Office premises-AKB	211.01	Occupied on the basis of perpetual lease deed by HUDCO	No	Allotment letter dt. December ,04, 2006	The transfer of property rights is being followed with Housing Urban Development Corporation Limited (HUDCO). Latest communication was on June 16, 2022.
Investment property	Residential flat	0.88	Agreement to sell by HPL	No	June 23, 1994	The transfer of property is being followed by Hindustan Prefab Limited (HPL) with L&DO, Thereafter, the execution of Deed will take place. Latest communication was on January 23, 2023.

As at March 31, 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter /director	Property held since	Reason for not being held in the name of the Company
Right of Use Asset	Office premises−IHC	17.23	Occupied on the basis of Allotment Letter Issued by IHC	No	Allotment letter dt. April 12, 1993	The execution of Tripartite Conveyance Deed / Agreement by India Habitat Centre (IHC) [between Land & Development Office (L&DO), IHC and allottee institutions] is pending in respect of all allottee institutions at IHC including IREDA. IHC is following with L&DO for execution of lease deed. Draft of lease deed has been cleared by L&DO.
	Office premises−AKB	211.01	Occupied on the basis of perpetual lease deed by HUDCO	No	Allotment letter dt. December 04, 2006	The transfer of property rights is being followed with Housing Urban Development Corporation Limited (HUDCO).
Investment property	Residential flat	0.88	Agreement to sell by HPL	No	June 23, 1994	The transfer of property is being followed by Hindustan Prefab Limited (HPL) with L&DO. Thereafter, the execution of Deed will take place.

As at March 31, 2021

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in Million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter /director	Property held since	Reason for not being held in the name of the Company
Right of Use Asset	office premises–IHC	17.23	Occupied on the basis of Allotment Letter Issued by IHC	No	Allotment letter dt. April 12, 1993	The execution of Tripartite Conveyance Deed / Agreement by IHC [between L&DO, IHC and allottee institutions] is pending in respect of all allottee institutions at IHC including IREDA. IHC is following with L&DO for execution of lease deed. Draft of lease deed has been cleared by L&DO .
	office premises–AKB	211.01	Occupied on the basis of perpetual lease deed by HUDCO	No	Allotment letter dt. December 04, 2006	The transfer of property rights is being followed with HUDCO.
Investment property	residential flat	0.88	Agreement to sell by HPL	No	June 23, 1994	The transfer of property is being followed by HPL with L&DO. Thereafter, the execution of Deed will take place.

48. Loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- repayable on demand or
- without specifying any terms or period of repayment

(₹ in Million)

Type of Borrower	As at September 30, 2023		As at September 30, 2022		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Amount of loan or advance in the nature of loan outstanding	%age to total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	%age to total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	%age to total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	%age to total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	%age to total Loans & Advances in the nature of loans
Promoter	Nil		Nil		Nil		Nil		Nil	
Directors										
KMPs										
Related Parties										

49. Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the current Half Year and previous financial years.

50. Relationship with Struck off Companies

As at September 30, 2023

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding (₹ in Million)	Relationship with the Struck off company if any
SPV Power Limited	Receivables	0.01	-
Mahakrishna Financial Services Limited	Receivables	0.01	-
Ocha Pine Fuels Private Limited	Receivables	0.01	-
Sujas Energy Products Private Limited	Receivables	0.01	-
Vijayshree Chemicals Private Limited	Receivables	0.01	-
Newam Power Company limited	Receivables	0.01	-

The balances are being carried in the books in view of the recovery proceedings in respective cases from the promoters / guarantors in the various legal forums.

As at September 30, 2022

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding (₹ in Million)	Relationship with the Struck off company, if any,
SPV Power Limited	Receivables	0.01	-
Mahakrishna Financial Services Limited	Receivables	0.01	-
Ocha Pine Fuels Private Limited	Receivables	0.01	-
Sujas Energy Products Private Limited	Receivables	0.01	-
Vijayshree Chemicals Private Limited	Receivables	0.01	-

As at March 31, 2023

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding (₹ in Million)	Relationship with the Struck off company if any
SPV Power Limited	Receivables	0.01	-
Mahakrishna Financial Services Limited	Receivables	0.01	-
Ocha Pine Fuels Private Limited	Receivables	0.01	-
Sujas Energy Products Private Limited	Receivables	0.01	-
Vijayshree Chemicals Private Limited	Receivables	0.01	-
Newam Power Company limited	Receivables	0.01	-

The balances are being carried in the books in view of the recovery proceedings in respective cases from the promoters / guarantors in the various legal forums.

As at March 31, 2022

Name of struck off companies	Nature of transactions with struck-off companies	Balance outstanding (₹ in Million)	Relationship with struck off companies, if any
SPV Power Limited	Receivables	0.01	-
Mahakrishna Financial Services Limited	Receivables	0.01	-
Ocha Pine Fuels Private Limited	Receivables	0.01	-
Sujas Energy Products Private Limited	Receivables	0.01	-
Vijayshree Chemicals Private Limited	Receivables	0.01	-
Newam Power Company limited	Receivables	0.01	-

The balances are being carried in the books in view of the recovery proceedings in respective cases from the promoters / guarantors in the various legal forums.

As at March 31, 2021

Name of struck off companies	Nature of transactions with struck-off companies	Balance outstanding (₹ in Million)	Relationship with struck off companies, if any
SPV Power Limited	Receivables	0.01	-
Mahakrishna Financial Services Limited	Receivables	0.01	-
Ocha Pine Fuels Private Limited	Receivables	0.01	-
Sujas Energy Products Private Limited	Receivables	0.01	-
Vijayshree Chemicals Private Limited	Receivables	0.01	-

The balances are being carried in the books in view of the recovery proceedings in respective cases from the promoters / guarantors in the various legal forums.

51. Registration of Charges or satisfaction with Registrar of Companies (ROC)

For the Half Year ended September 30, 2023

All the charges have been registered/satisfied within the statutory period with the ROC, there has been no delay beyond the statutory period in the same during the Half Year ended September 30, 2023.

For the Half Year ended September 30, 2022

All the charges have been registered/satisfied within the statutory period with the ROC, there has been no delay beyond the statutory period in the same during the Half Year ended September 30, 2022.

For the year ended March 31, 2023

All forms were filed on time except the following two charge forms on which additional fees has been paid due to launch of MCA Version 3. MCA has disabled the e-Filings of forms including CHG-1, CHG-4, CHG-6, and CHG-8 on V2 portal from August 15, 2022 due to launch of MCA 21-V3 Portal.

1. Creation of Charge in favour of Bank of India for an amount of ₹ 11,000.00 Million. Agreement was executed with BOI on July 27, 2022 and accordingly due date of filing of form was August 25, 2022 and form was filed on September 26, 2022 on V3 portal of MCA.
2. Creation of Charge in favour of Punjab National Bank for an amount of ₹ 15,000.00 Million. Agreement was executed with PNB on July 29, 2022 and accordingly Due date of filing of form was August 27, 2022 and form filed on September 27, 2022 on V3 portal of MCA.

For FY 2021-22 and FY2020-21

All the charges have been registered/satisfied within the statutory period with the ROC, there has been no delay beyond the statutory period in the same.

52. Undisclosed income

There were no transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the Half Year ended September 30, 2023 & September 30, 2022 (for the year ended March 31, 2023 ₹ Nil Million, March 31, 2022 ₹ Nil Million and March 31, 2021 ₹ Nil Million) in the tax assessments under the Income Tax Act, 1961. Thus, no further accounting in the books of accounts is required.

53. Compliance with number of layers of companies

Company has not invested in layers of companies as specified under Companies (Restriction on number of Layers) Rules, 2017 during the current Half Year and previous reporting years.

54. Compliance with approved Scheme(s) of Arrangements

No scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies

Act, 2013 during the current Half Year and previous reporting years.

55. Utilization of Borrowed funds and share premium.

a) Company has not advanced or loaned or invested any funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall,

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) Further the company has not received any fund from any person (s) or entities, including foreign entities (Intermediaries) with the understanding (Whether recorded in writing or otherwise) that the company shall,

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or,
(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company is of the opinion that the money receivable with respect to the MNRE GOI Fully Serviced Bonds [Refer Note 38(33)] is not covered under the above disclosure as the same is in accordance with mandate/MOU of the GOI.

56. Details of Crypto Currency or Virtual Currency

Company has not traded or invested in Crypto currency or Virtual Currency during the Half Year and previous reporting years being reported.

57. One Time Settlement (OTS) and Write-Offs (Loan Assets)

For the Half Year ended September 30, 2023-
During the period ended 30.09.2023, One OTS was sanctioned, out of which no account has been fully settled.

For the Half Year ended September 30, 2022-

During the period ended 30.09.2022, four OTS were sanctioned, out of which one account stands fully settled. Total amount of ₹ 30.87 millions has been recovered against the said settled OTS resulting in income of ₹ 13.18 Million and write back of impairment allowance of ₹ 10.90 Million.

For the Year ended March 31, 2023

a) During the year ended March 31, 2023, Seven (07) OTS were sanctioned / extended out of which seven (07) OTS stands fully settled. Total amount of ₹ 539.09 Million has been recovered against the said settled OTS resulting in income of ₹ 117.53 Million and write back of impairment allowance of ₹ 150.49 Million. The company has written off an amount of ₹ 79.98 Million.

b) The Company has written off an amount of ₹ 0.07 Million pertaining to Seven (07) borrowers classified as “NPA loss assets”

For the Year ended March 31, 2022

a) Pursuant to the one-time settlement offer dated March 21, 2022 given to M/s Rayapati Power Generation (P) Limited, the Company has written off an amount of ₹130.17 Million after making recoveries of ₹ 71.23 Million. The company had created an ECL provision of ₹ 120.04 Million against the said Loan Asset.
b) Pursuant to 346th Board meeting, the Company has written off an amount of ₹ 0.03 Million pertaining to 3 borrowers classified as “NPA loss assets”.

For the Year ended March 31, 2021 - Nil

58. Recent accounting pronouncement; standard issued but not yet effective:

The Ministry of Corporate Affairs has vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2022, which amends certain Indian Accountings Standards, and are effective from April 01, 2023. The summary of the major amendments and its impact on the Company are given hereunder:

For the Half Year ended September 30, 2023

There are no recent accounting pronouncements which are yet to be effective as on September 30, 2023

For the Half Year ended September 30, 2022

There are no recent accounting pronouncements which are yet to be effective as on September 30, 2022

For the year ended March 31, 2023

a) <u>Ind AS 1 – Presentation of Financial Statements:</u> -

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

b) <u>Ind AS 12 – Income Taxes:</u> -

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company is evaluating the impact, if any, in its financial statements.

c) <u>Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors:</u> -

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its financial statements.

For year ended March 31, 2022

a) <u>Ind AS 103 – Reference to Conceptual Framework</u>

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its restated standalone and consolidated financial statements.

b) <u>Ind AS 16 – Proceeds before intended use</u>

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will 68 recognition such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its restated standalone and consolidated financial statements.

c) <u>Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract</u>

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its restated standalone and consolidated financial statements.

d) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to recognize a financial liability. The Company does not expect the amendment to have any significant impact in its restated standalone and consolidated financial statements.

e) Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its restated standalone and consolidated financial statements.

For the year ended March 31, 2021 - Nil

59. Amounts expected to be recovered/ settled within 12 Months and beyond for each line item under Asset and Liabilities

(₹ in Million)

Sl.	Particulars	As at September 30, 2023			As at September 30, 2022			As at March 31, 2023			As at March 31, 2022			As at March 31, 2021		
		Within 12 Months	More than 12 Months	Total	Within 12 Months	More than 12 Months	Total	Within 12 Months	More than 12 Months	Total	Within 12 Months	More than 12 Months	Total	Within 12 Months	More than 12 Months	Total
I	**ASSETS**															
A	**Financial Assets**															
	(a) Cash and cash equivalents	36,02.39	-	3,602.39	23,463.16	-	23,463.16	1,385.31	-	1,385.31	1,311.75	-	1,311.75	2,210.18	-	2,210.18
	(b) Bank Balance other than (a) above	9,740.11	1,286.74	11,026.85	20,449.76	-	20,449.76	7,529.81	632.58	8,162.39	3,955.19	-	3,955.19	3,822.92	-	3,822.92
	(c) Derivative financial instruments	323.21	4,193.23	4,516.44	-	4,537.08	4,537.08	25.84	5,714.68	5,740.52	-	3,983.30	3,983.30	257.97	3,772.93	4,030.90
	(d) Receivables							-	-	-						
	(I) Trade Receivables	39.75	0.00	39.75	30.49	0.00	30.50	49.14	0.00	49.14	45.27	-	45.27	29.70	-	29.70
	(II) Other Receivables				-	-	-	-	-	-	-	-	-	-	-	-
	(e) Loans	74,565.84	392,563.00	467,128.84	61,566.61	267,850.89	329,417.50	74,794.31	387,474.93	462,269.24	62,797.91	268,946.57	331,744.48	49,658.34	219,398.09	269,056.43
	(f) Investments	-	993.20	993.20	-	992.85	992.85	-	993.03	993.03	-	992.68	992.68	-	-	-
	(g) Other financial assets	196.78	114.54	311.31	183.95	123.32	307.27	205.52	112.54	318.06	218.21	99.99	318.20	144.10	83.85	227.95
	Total (A)	**88,468.07**	**399,150.72**	**487,618.78**	**105,693.95**	**273,504.14**	**379,198.13**	**83,989.93**	**394,927.76**	**478,917.69**	**68,328.33**	**274,022.54**	**342,350.87**	**56,123.21**	**223,254.87**	**279,378.08**
B	**Non-financial Assets**															
	(a) Current Tax Assets (Net)	1,648.50	-	1,648.50	2,027.32	-	2,027.32	1,439.24	-	1,439.24	1,298.45	-	1,298.45	1,084.60	-	1,084.60
	(b) Deferred Tax Assets (Net)	-	2,640.04	2,640.04	-	2,876.49	2,876.49	-	3,010.02	3,010.02	-	3,220.59	3,220.59	-	2,109.92	2,109.92
	(c) Investment Property	-	0.27	0.27	-	0.33	0.33	-	0.30	0.30	-	0.36	0.36	-	0.43	0.43
	(d) Property, Plant and Equipment	-	2,046.55	2,046.55	-	2,201.67	2,201.67	-	2,128.43	2,128.43	-	2,301.07	2,301.07	-	2,463.78	2,463.78
	(e) Capital Work-in-progress	-	124.86	124.86	-	1,287.89	1,287.89	-	1,392.63	1,392.63	-	1,283.33	1,283.33	-	0.09	0.09
	(f) Right of use asset	-	1,430.54	1,430.54	-	167.56	167.56	-	158.58	158.58	-	176.53	176.53	-	196.18	196.18
	(g) Intangible assets under development	48.56	-	48.56	42.54	-	42.54	17.44	31.12	48.56	31.12	-	31.12	-	-	-
	(h) Intangible assets	-	0.12	0.12	-	0.46	0.46	-	0.14	0.14	-	0.45	0.45	-	1.06	1.06
	(i) Other non-financial assets	492.54	16,514.16	17,006.70	485.23	16,486.82	16,972.06	887.42	16,486.82	17,374.24	33.17	16,388.11	16,421.28	1,305.91	16,388.52	17,694.43
	(j) Investment accounted using Equity Method	-	-	-	-	-	-	-	-	-	-	-	-	-	5.34	5.34
	Total (B)	**2,189.59**	**22,756.54**	**24,946.13**	**2,555.09**	**23,021.22**	**25,576.32**	**2,344.10**	**23,208.04**	**25,552.14**	**1,362.74**	**23,370.44**	**24,733.18**	**2,390.51**	**21,165.32**	**23,555.83**
	Total Assets (A+B)	**90,657.66**	**42,1907.25**	**512,564.91**	**108,249.04**	**296,525.36**	**404,774.39**	**86,334.03**	**418,135.80**	**504,469.83**	**69,691.07**	**297,392.98**	**367,084.05**	**58,513.72**	**244,420.19**	**302,933.91**
II.	**LIABILITIES AND EQUITY**															
	LIABILITIES															
A	**Financial Liabilities**															
	(a) Derivative financial instruments	351.18	1,382.61	1,733.79	2,191.01	2,320.04	4,511.06	880.67	634.01	1,514.68	192.00	1,633.75	1,825.75	587.16	331.16	918.32

	(b) Payables							-	-	-						
	(I) Trade Payables	343.12	-	343.12	20.35	3.29	23.64	45.71	3.41	49.12	47.47	4.23	51.70	55.68	169.12	224.80
	(c) Debt Securities	1,810.50	113,616.48	115,426.98	22,500.00	85,287.46	107,787.46	4,810.50	103,622.33	108,432.83	22,500.00	69,791.38	92,291.38	-	91,202.61	91,202.61
	(d) Borrowings (Other than Debt Securities)	82,170.30	194,410.92	276,581.22	22,268.89	165,754.31	188,023.20	80,366.82	206,359.82	286,726.64	23,158.25	154,188.49	177,346.74	17,979.68	124,325.83	142,305.51
	(e) Subordinated Liabilities	-	64,93.73	6,493.73	-	6,492.96	6,492.96	-	6,493.33	6,493.33	-	6,492.60	6,492.60	-	6,491.92	6,491.92
	(f) Other financial liabilities	1,3763.97	4,029.08	17,793.05	10,891.29	3,699.03	14,590.32	9,226.69	4,123.38	13,350.07	4,465.57	3,890.42	8,355.99	4,866.79	3,759.61	8,626.40
	Total(A)	**98,439.06**	**319,932.82**	**418,371.88**	**57,871.54**	**263,557.10**	**321,428.63**	**95,330.39**	**321,236.28**	**416,566.67**	**50,363.29**	**236,000.87**	**286,364.16**	**23,489.31**	**226,280.25**	**249,769.56**
B	**Non-Financial Liabilities**															
	(a) Provisions	906.05	9,491.03	10,397.07	841.42	8,598.88	9,440.30	879.95	10,301.63	11,181.58	79.29	10,480.37	10,559.66	54.22	5,970.37	6,024.59
	(b) Other non-financial liabilities	508.15	17,481.69	17,989.84	437.15	17,085.19	17,522.34	555.32	16,814.57	17,369.89	522.62	16,956.48	17,479.10	296.29	16,887.47	17,183.76
	Total(B)	**1,414.19**	**26,972.72**	**28,386.91**	**1,278.56**	**25,684.08**	**26,962.64**	**1,435.27**	**27,116.20**	**28,551.47**	**601.91**	**27,436.85**	**28,038.76**	**350.51**	**22,857.84**	**23,208.35**
C	**EQUITY**															
	(a) Equity Share Capital	-	2,284.60	2,2846.00	-	22,846.00	22,846.00	-	22,846.00	22,846.00	-	22,846.00	22,846.00	-	7,846.00	7,846.00
	(b) Other Equity	-		4,296.01	-	33,537.14	33,537.12	-	36,505.69	36,505.69	-	29,835.13	29,835.13	-	22,110.00	22,110.00
	Total(C)	-	6,580.61	6,580.61	**-**	**56,383.14**	**56,383.12**	**-**	**59,351.69**	**59,351.69**	**-**	**52,681.13**	**52,681.13**	**-**	**29,956.00**	**29,956.00**
	Total Liabilities and Equity(A+B+C)	**99,863.25**	**412,701.66**	**512,564.91**	**59,150.10**	**345,624.31**	**404,774.39**	**96,765.66**	**407,704.17**	**504,469.83**	**50,965.20**	**316,118.85**	**367,084.05**	**23,839.82**	**279,094.09**	**302,933.91**

60. Additional Disclosure required under Schedule III regarding Consolidation of Accounts

(₹ in Million)

Name of the entityin the Company	.e., total assets minus totalliabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
September 30, 2023*	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**
*Not applicable as the company has no Associate.								
Total	**------------------------Nil------------------------**							
September 30, 2022*	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**
*Not applicable as the company has no Associate.								
Total	**------------------------Nil------------------------**							
March 31, 2023*	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**
*Not applicable as the company has no Associate.								
Total	**------------------------Nil------------------------**							
March 31, 2022*	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**
*Not applicable as the company has no Associate.								
Total	**------------------------Nil------------------------**							
March 31, 2021	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**	**Amount**	**% of consolidated**
IREDA	29,951.85	99.98%	3,464.06	100.01%	(2,472.35)	100%	991.71	100.03%
M.P. WINDFARMS LIMITED	5.34	0.02%	(0.25)	(0.01%)	-	-	(0.25)	(0.03%)
Total	**29,957.19**	**100%**	**3,463.81**	**100%**	**(2,472.35)**	**100%**	**991.46**	**100%**

61. <u>In case of Associate : Other Notes</u>

For the Half Year ended September 30, 2023
Not applicable

For the Half Year ended September 30, 2022
Not applicable

For the year ended March 31, 2023 & year ended March 31, 2022
Not Applicable

For the year ended March 31, 2021

a. The Board of the company is of the opinion that current assets, loans and advances have value at least equal to the amount stated, on realization in the ordinary course of business.

b. Windfarm at Nagda hills is only operational wherein company's activity is only for infrastructure operation & maintenance. Windfarm site at Jamgodrani hills Dewas is vacant.

62. Disclosures in terms of various Directions/Circulars of RBI for NBFC

A. Resolution plans implemented in terms of Master Direction DNBR.PD.008/03.10.119/2016-17 dated 01.09.2016 (as amended)

FY	No of Borrower	Principal Outstanding at year end	Impairment allowance as per ECL
For the Half Year ended September 30, 2023	-	-	-
For the Half Year ended September 30, 2022	-	-	-
2022-23	1	556.52	334.99
2021-22	3	1,848.22	364.44
2020-21	-	-	-

B. Capital

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1. CRAR (%)	20.92	23.55	18.82	21.22	17.12
2. CRAR – Tier I Capital (%)	18.08	19.83	15.71	17.60	12.91
3. CRAR– Tier II Capital (%)	2.84	3.72	3.11	3.62	4.21
4. Amount of subordinated debt raised as Tier–II capital (₹ in Million)	6,493.73	6,492.26	6,493.33	6,492.60	6,491.92
5. Amount raised by issue of Perpetual Debt Instruments (₹ in Million)	-	-	-	-	-

The CRAR has been determined with Tier I / Tier II Capital and Risk Weighted Asset (RWA) calculated as per the risk weights mentioned in the RBI Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 01, 2016.

C. Investments

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(1) Value of Investments					
i) Gross Value of Investments					
(a) In India					
–Flexi Deposit Linked with MIBOR (including interest accrued)	111.47	33,511.40	414.24	440.13	-
–GOI Securities (Quoted) (including interest accrued)	1,012.84	1,012.49	1,012.67	1,012.32	-
–Commercial Papers (fully impaired)	689.91	689.91	689.91	689.91	689.91
(b) Outside India	-			–	-
ii) Provisions for Depreciation					
(a) In India	689.91	689.91	689.91	689.91	689.91
(b) Outside India	-	-	-	–	-
ii) Net Value of Investments					
(a) In India	-	-	1,426.91	1,452.45	-
(b) Outside India	-	-	-	–	-
(2) Movement of provisions held towards depreciation on investments.					
(i) Opening balance	689.91	689.91	689.91	689.91	689.91
(ii) Add: Provisions made during the year	-	-	-	–	-
(iii) Less: Write–off /write–back of excess provision during the year	-	-	-	–	-
(iv) Closing balance	**689.91**	**689.91**	**689.91**	**689.91**	**689.91**

D. Derivatives

Forward Rate Agreement /Interest Rate Swap

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) The notional principal of swap agreements*	73,486.67	86,261.52	87,446.94	87,472.67	82,186.29
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements.	4,516.44	4,537.07	5,740.52	3,983.30	4,030.90
(iii) Collateral required by the applicable NBFC upon entering into swaps	N.A.	N.A.	N. A	N. A	N. A
(iv) Concentration of credit risk arising from the swaps**	Refer Note*	Refer Note*	Refer Note*	Refer Note*	Refer Note*
(v) The fair value of the swap book	2,782.66	26.02	4,225.83	2,157.55	3,112.59

***** Notional Principal indicates deal amount in foreign currency converted into INR terms using RBI reference rate for the closing dates.

****** The Company enters into swap agreements with International Swaps and Derivatives Association (ISDA) Banks (PSU Banks, Private Indian Banks & Foreign Banks), in accordance with the RBI guidelines. All the swap agreements entered into with the banks are well within the credit risk limit defined in the Board approved Risk Management Policy.

Exchange Traded Interest Rate (IR) Derivatives - Nil

Disclosures on Risk Exposure in Derivatives

a) Qualitative Disclosure

(i) The Company recognized various market risks including interest rate, foreign exchange fluctuation and other assets liability mismatches.

(ii) All derivative deals are undertaken under the supervision of Forex Management Committee (FMC). In order to protect the Company from foreign exchange fluctuation and interest rate risk, the Company has entered into long term agreements with ISDA Banks to hedge such risk through derivative instrument.

(iii) The Company is taking active action for protection against exchange fluctuation risk by adopting hedging instrument on case-to-case basis. In this regard, during the period ended 30.09.2023,IREDA has not entered into hedging deals with any ISDA Banker under any line of credit.

(iv) IREDA has board approved Foreign Exchange and Derivatives Risk Management Policy, such policy defines the maximum permissible limit of open exposure which cannot be more than 40% of the foreign currency loan outstanding. IREDA'S foreign currency loan open exposure as on 30.09.2023 is 26.29%(as on 30.09.2022:16.34% of total foreign currency loan exposure).

Financial Year	Number of Deals	Number of ISDA Banks
For the Half Year ended September 30, 2023	-	-
For the Half Year ended September 30, 2022	-	-
2022-2023	2	2
2021-2022	20	7
2020-2021	10	6

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Foreign currency loan open exposure as a % age of total foreign currency exposure	26.29%	16.34%	18.62 %	18.60%	22.80%

Quantitative Disclosures

As at September 30, 2023

Sl.	Particulars		Currency Derivatives (POS)	Interest Rate Derivatives Includes cross currency interest rate swaps
(i)	Derivatives (Notional Principal Amount)			
	For hedging		€ 148,426,697.89 $ 549,116,985.54 ¥ 18,293,073,550.00	€ 1,114,906.03 $ 40,323,867.83 ¥ 2,094,871,635.00
	Value (₹ in Million)		68,870.26	4,616.41
(ii)	Mark to Market Position			
	a)	Asset (+) (₹ in Million)	3,848.58	667.87
	b)	Liability (-) (₹ in Million)	(1,649.25)	(84.54)
(iii)	Credit Exposure		N.A.	N.A.
(iv)	Unhedged Exposures (For Principal and part hedge is not considered as hedge) (₹ in Million)		25,461.07	

* Notional Principal indicates deal amount in foreign currency converted into INR terms using Financial Benchmarks India Pvt. Limited (FBIL) reference rate for the closing dates

As at September 30, 2022

Sl.	Particular		Currency (POS+CCIRS) Derivatives	Interest Rate (CCIRS) Derivatives
(i)	Derivatives (Notional Principal Amount)			
	For hedging		€ 17,53,64,364.53 $ 57,74,55,952.32 ¥ 35,75,42,86,518.00	€ 11,14,906.03 $ 4,49,89,807.21 ¥ 2,09,48,71,635.00
	Value (₹ in Million)		81,320.84	4,940.68
(ii)	Mark to Market Position			
	a)	Asset (+) (₹ in Million)	3,903.23	633.84
	b)	Liability (-) (₹ in Million)	(4,415.86)	(95.20)
(iii)	Credit Exposure		N.A.	N.A.
(iv)	Unhedged Exposures (For Principal amount outstanding including part hedge is not considered as hedge) (₹ in Million)		16,315.64	

As at March 31, 2023

Sl.	Particulars		Currency Derivatives (POS)	Interest Rate Derivatives Includes cross currency interest rate swaps
(i)	Derivatives (Notional Principal Amount)			
	For hedging		€ 157,451,031.21 $ 563,635,081.96 ¥ 357,542,86,518.00	€ 1,114,906.03 $ 42,656,837.52 ¥ 2,094,871,635.00
	Value (₹ in Million)		82,545.29	4,901.65
(ii)	Mark to Market Position			
	a)	Asset (+) (₹ in Million)	5,054.76	685.76
	b)	Liability (-) (₹ in Million)	(1,514.69)	-
(iii)	Credit Exposure		N.A.	N.A.
(iv)	Unhedged Exposures (For Principal and part hedge is not considered as hedge) (₹ in Million)		18,862.97	

* Notional Principal indicates deal amount in foreign currency converted into INR terms using Financial Benchmarks India Pvt. Limited (FBIL) reference rate

for the closing dates

As at March 31, 2022

Particulars	Currency (POS+CCIRS) Derivatives	Interest Rate (CCIRS) Derivatives
(i) Derivatives (Notional Principal Amount)		
For hedging	€ 184,100,973.16 $ 589,013,168.84 ¥ 35,754,286,518	€ 1,114,906.03 $ 47,322,776.90 ¥ 2,094,871,635
Value (₹ in Million)	82,487.24	4,985.43
(ii) Mark to Market Position		
a) Asset (+) (₹ in Million)	3,663.39	319.92
b) Liability(−) (₹ in Million)	1,825.75	-
(iii) Credit Exposure	N.A.	N.A.
(iv) Unhedged Exposures (For Principal and part hedge is not considered as hedge) (₹ in Million)	19,404.34	

* Notional Principal indicates deal amount in foreign currency converted into INR terms using Financial Benchmarks India Pvt. Limited (FBIL) reference rate for the closing dates

As at March 31, 2021

Particulars	Currency (POS+CCIRS) Derivatives	Interest Rate (CCIRS) Derivatives
(i) Derivatives (Notional Principal Amount)		
For hedging	€ 195,071,590.70 $ 494,617,556.69 ¥ 35,754,286,518	€ 1,114,906.03 $ 51,988,716.28 ¥ 2,094,871,635
Value (₹ in Million)	76,878.73	5,307.56
(ii) Mark to Market Position		
a) Asset (+) (₹ in Million)	3,911.76	119.14
b) Liability(−) (₹ in Million)	913.80	4.52
(iii) Credit Exposure	N.A.	N.A.
(iv) Unhedged Exposures (For Principal and part hedge is not considered as hedge) (₹ in Million)	23,525.43	

* Notional Principal indicates deal amount in foreign currency converted into INR terms using Financial Benchmarks India Pvt. Limited (FBIL) reference rate for the closing dates

E. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

As on 30.09.2023

(₹ in Million)

Particulars	Up to 7 Days	8-14 Days	Over14 days-30/31 Days	Over 1 months - 2 months	Over 2 months - 3 months	Over 3 months – upto 6 months	Over 6 months - upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Deposits	-	-	-	16.88	2.74	91.85	-	-	-	-	111.47
Advances including interest	20.422	-	4,389.86	4,786.14	9,692.95	24,083.99	31,841.00	105,683.59	74,349.69	213,543.06	468,390.70
Investments	-	-	-	-	-	-	-	-	-	993.20	993.20
Rupee Borrowings	-	-	10,291.67	796.40	7,384.73	35,356.30	22,031.03	95,938.45	30,987.26	98,888.28	301,674.12
Foreign Currency assets	-	-	1,435.80	-	-	-	-	-	-	-	1,435.80
Foreign Currency liabilities	-	-	722.29	556.66	1,077.57	1,703.83	4,060.33	16,242.01	15,796.85	56,698.15	96,857.68

As at September 30, 2022

(₹ in Million)

Particulars	Up to 7 Days	8-14 Days	Over14 days-30/31 Days	Over 1 months - 2 months	Over 2 months -3 months	Over 3 months – upto 6 months	Over 6 months - upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Deposits	8,005.47	0.33	11,001.95	2.51	2,532.16	11,968.98	-	-	-	-	**33,511.40**
Advances including interest	936.46	205.33	4,815.63	4,444.42	7,380.01	12,470.61	31,510.60	81,214.50	45,389.13	141,868.62	**330,235.31**
Investments	-	-	-	-	-	-	-	-	-	992.85	**992.85**
Rupee Borrowings	-	19,500.00	-	416.67	2,905.57	3,353.01	10,917.96	61,919.89	33,495.77	69,988.32	**202,497.19**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	691.01	400.55	1,912.74	915.24	3,756.15	15,833.19	15,143.12	61,174.71	**99,826.70**

As at March 31, 2023 (₹ in Million)

Particulars	Up to 7 Days	8-14 Days	Over14 days-30/31 Days	Over 1 months - 2 months	Over 2 months -3 months	Over 3 months – upto 6 months	Over 6 months - upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	420.66	-	-	-	-	**420.66**
Advances including interest	54.88	-	4,630.21	4,372.18	8,956.78	19,615.30	37,428.29	106,854.28	75,015.42	206,802.22	**463,729.56**
Investments	-	-	-	-	-	-	-	-	-	993.03	**993.03**
Rupee Borrowings	-	-	5,208.33	3,796.40	10,353.14	11,291.49	45,853.54	99,032.43	36,924.36	87,888.28	**300,347.97**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	696.64	1,180.76	1,134.06	734.25	4,928.71	16,077.47	16,086.34	60,491.05	**101,329.28**

As at March 31, 2022 (₹ in Million)

Particulars	Up to 7 Days	8-14 Days	Over14 days-30/31 Days	Over 1 months - 2 months	Over 2 months -3 months	Over 3 months – upto 6 months	Over 6 months - upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Deposits	0.43	0.51	0.59	0.01	-	432.20	6.38	-	-	-	**440.12**
Advances including interest	162.47	107.67	3,461.15	2,774.24	12,315.23	14,981.36	29,030.26	86,588.86	45,348.33	137,792.98	**332,562.55**
Investments	-	-	-	-	-	-	-	-	-	992.68	**992.68**
Rupee Borrowings	2,014.42	-	-	416.67	5,104.83	3,309.25	27,023.75	51,889.36	25,189.24	56,895.68	**1,718,43.20**
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	642.33	423.30	2,040.30	702.95	3,980.47	15,800.60	15,253.18	65,477.19	**104,320.32**

As at March 31, 2021

(₹ in Million)

Particulars	Up to 7 Days	8-14 Days	Over 14 days- 30/31 Days	Over 1 months -2 months	Over 2 months -3 months	Over 3 months - upto 6 months	Over 6 months - upto 1 year	Over 1 year & up to 3 years	Over 3 & up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances including interest	3,946.29	77.38	2,233.77	1,324.61	8,367.26	13,386.21	20,258.01	64,154.97	30,311.31	125,604.56	**269,664.37**
Investments	-	-	-	-	-	-	-	-	-	1.20	**1.20**
Borrowings	4,601.57	-	1,500.00	-	814.78	1,311.74	2,002.27	54,583.84	9,193.12	62,875.04	**136,882.36**
Foreign Currency Assets	-	-	-	-	-	174.07	-	-	-	-	**174.07**
Foreign Currency Liabilities	-	-	581.91	430.50	2,082.06	869.44	3,785.41	16,310.20	17,328.95	61,791.64	**103,180.11**

F. Exposure

❖ **Exposure to Real Estate Sector**

(₹ in Million)

Category	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
a) Direct Exposure					
(i) Residential Mortgages -					
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-	-	-	-
(ii) Commercial Real Estate -					
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi–purpose commercial premises, multi–family residential buildings, multi– tenanted commercial premises, industrial or warehouses pace, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	-	-	-	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures-					
a) Residential	-	-	-	-	-
b) Commercial Real Estate	-	-	-	-	-
b) Indirect Exposure					
(i) Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies	-	-	-	-	-
Total Exposure to Real Estate Sector	-	-	-	-	-

❖ **Exposure to Capital Market**

(₹ in Million)

Particulars	As at 30.09.2023	As at 30.09.2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity–oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-	-	-	-
(ii) Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares(including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity–oriented mutual funds	-	-	-	-	-
(iii) Advances for any other purposes where	-	-	-	-	-

Particulars	As at 30.09.2023	As at 30.09.2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security					
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds /convertible debentures/ units of equity oriented mutual funds does not fully cover the advances	-	-	-	-	-
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-	-	-	-
(vi) Loans sanctioned to corporates against the security of shares /debentures bonds or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-	-	-	-
(vii) Bridge loans to companies against expected equity flows/ issues	-	-	-	-	-
(viii)Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-	-	-	-
(ix)Financing to stockbrokers for margin trading	-	-	-	-	-
(x)All exposures to Alternative Investment Funds: (a) Category I (b) Category II (c) Category III	-	-	-	-	-
(xi) All exposures to Venture Capital Funds(both registered and unregistered	-	-	-	-	-

- **Sectoral exposure** **(₹ in Million)**

Sectors	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Million)	**Gross NPAs (₹ in Million)**	**Percentage of Gross NPAs to total exposure in that sector**	**Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ in Million)**	**Gross NPAs (₹ in Million)**	**Percentage of Gross NPAs to total exposure in that sector**
1. Agriculture and Allied Activities						
2. Industry						
i) Renewable Energy	489,281.77	15,133.54	3.09 %	353,844.37	17,682.55	4.99 %
Total of Industry (i+ii+Others)						
3. Services						
Others						
Total of services (i+ii+Others)						
4. Personal Loans						
Others						
Total of Personal Loans (i+ii+Others)						
5. Others, if any (please specify)						

* Refer note 38(63) pertaining to Scale Based Regulations for FY 2020-21

- **Intra-group exposures**

NBFCs shall make the following disclosures for the Half Year ended June 30, 2023 and June 30, 2022 with comparatives for the FY 2022-23, FY 2021-22 and FY 2020-21:

i) Total amount of intra-group exposures - **NIL**

ii) Total amount of top 20 intra-group exposures - **NIL**

iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers – **NIL**

❖ **Unhedged foreign currency exposure**

As per the Board approved Foreign Exchange and Derivative Risk Management Policy of IREDA, an open exposure on foreign currency loans (40% of outstanding forex borrowing) is permissible.

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total FC Loan Outstanding	96,857.70	99,826.70	101,329.28	104,320.32	103,180.11
Total unhedged including part hedged	25,461.07	16,315.64	18,862.97	19,404.34	23,525.43
Unhedged exposure as a % of FC loan outstanding including part hedged	26.29%	16.34%	**18.62%**	**18.60%**	**22.80%**

Out of the said open exposure part, hedging has been done for EURO 30.38 Million loan has been part hedged by taking Principal only swap for the Half Year ended September 30, 2023 for USD 33.73 Million equivalent to ₹ 2,801.24 Million (for the Half year ended September 30, 2022 for USD 33.73 Million equivalent to ₹ 2,750.46 Million; for the year ended March 31, 2023 USD 33.73 Million equivalent to ₹ 2,772.88 Million, for the year ended March 31, 2022 USD 33.73 Million equivalent to ₹ 2,556.70 Million; for the year ended March 31, 2021 USD 36.81 Million equivalent to ₹ 2,705.60 Million). JPY 2,371.50 Million has been hedged by taking principal only swap (USD/JPY) Million equivalent to USD 17.60 Million, amounting to ₹ 1,461.87 Million at applicable rate as on Half Year ended September 30, 2023(fort the Half year ended September 30, 2022 ₹ Nil Million; for the year ended March 31, 2023 : ₹ 1,465.59 Million; for the year ended March 31, 2022 : Nil & March 31, 2021: Nil).

G. Details of financing of parent company products,

- **Details of Single Borrower Limit (SGL)/Company Borrower Limit (GBL) exceeded by the applicable NBFC.**

List of Single Exposures exceeding Limits for the Half Year ended September 30, 2023

(₹ in Million)

Sl	Name	Exposure	% Tier-I Capital*
1	Maharashtra State Electricity Distribution Company Limited	18,333.33	30.57

* Tier I capital as on 30.06.2023 is ₹ 599,75.1 millions

**Further, IREDA vide letters dated 19/03/2021, 30/06/2021, 28/10/2021 and 10/12/2021 requested RBI to relax the exposure limit for Discoms / State Electricity Boards / State Transmission companies / State Generation companies etc.

List of Single Exposures exceeding Limits for the Half Year ended September 30, 2022

(₹ in Million)

Sl	Name	Exposure (₹ in Million)	% Tier-I Capital*
1	Nil		

* Tier I capital as at March 31, 2022 is ₹ 52,681.13 Million & Tier I capital as on 30.06.2023 is ₹50,684.10 Million

List of Single Exposures exceeding Limits as on March 31, 2023

Sl	Name	Sector	Exposure (₹ in Million)	% Net worth*
NIL				

* Net worth as on 31.03.2022 is ₹ 52,681.13 Million & Tier I capital as on 30.06.2022 is ₹ 50,684.10 Million

List of Single Exposures exceeding Limits as on March 31, 2022

Sl	Name	Sector	Exposure (₹in Million)	% Net worth*
NIL				

* Net worth as on March 31, 2021 is ₹ 29,951.85 Million

List of Single Exposures exceeding Limits as on March 31, 2021

Sl	Name	Sector	Exposure (₹in Million)	% Net worth*
1.	Azure Power India Private Limited#	SPV	5,125.49	20.33%

*Net worth as on March 31, 2020 ₹ 25,213.19 Million

List of Group Exposures exceeding Limits for the Half Year ended September 30, 2023

Sl	Name of Group	Exposure (₹ in Million)	% Tier-I Capital*
Nil			

* Tier I capital as on 30.096.2023 is ₹ 599,75.10 Million

List of Group Exposures exceeding Limits for the Half Year ended September 30, 2022

Sl	Name of Group	Exposure (₹ in Million)	% Tier-I Capital*
Nil			

* Net worth as on 31.03.2022 is ₹526,81.13 Million & Tier I capital as on 30.06.2022 is ₹ 50,684.10 Million

List of Group Exposures exceeding Limits as on March 31, 2023

Sl	Name of Group	Exposure (₹ in Million)	% Net worth*
Nil			

* Net worth as on March 31, 2022 is ₹ 52,681.13 Million

List of Group Exposures exceeding Limits as on March 31, 2022

Sl	Name of Group	Exposure (₹ in Million)	% Net worth *
Nil			

* Net worth as on March 31, 2021 is ₹ 29,951.85 Million

List of Group Exposures exceeding Limits as on March 31, 2021

Sl	Name of Group	Exposure (₹ in Million)	% Net worth *
Nil			

*Net worth as on March 31, 2020 ₹ 25,213.19 Million

H. Miscellaneous

- **Registration obtained from other financial sector regulators :**

Sl.	Regulator Name	Particulars	Registration Details
1	Ministry of Corporate Affairs	Corporate Identification Number	U65100DL1987GOI027265
2	Reserve Bank of India	Registration Number	14.000012
3	Legal Entity Identifier India Ltd	LEI Number	335800AXWFKW4BC99J48

- Disclosure of Penalties imposed by RBI and other regulators is Nil in current Half Year and earlier years.
- The Company has prepared Consolidated Financial Statements for the FY 2020-21 with respect to investment in Associate Company as per the Equity method based on the Ind AS certified accounts provided by M/s MP Wind Farms Ltd.
- The Company does not have any Overseas Assets in the form of Joint Ventures / Subsidiaries abroad.
- There are no Off-balance Sheet SPVs sponsored by the Company.
- **Disclosure of Complaints:**

1) Customer Complaints*

Particulars	For the Half Year ended September 30, 2023	For the Half Year ended September 30, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
a) No. of complaints pending at the beginning of the year	-	-	-	-	-
b) No. of complaints received during the year	18	27	59	44	29
c) No. of complaints redressed during the year	18	27	59	44	29
d) No. of complaints pending at the end of the year	-	-	-	-	-

*Complaints pertaining to Bondholders.
No complaint w.r.t. the Shareholders for the Half Year ended 30,.09.2023 & 30.09. 2022 and for the year ended March 31, 2023, for the year ended March 31, 2022 and for the year ended March 31, 2021

2) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No		Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Complaints received by the NBFC from its customers			
1.		Number of complaints pending at beginning of the year	0	0
2.		Number of complaints received during the year	1	0
3.		Number of complaints disposed during the year	1	0
	3.1	Of which, number of complaints rejected by the NBFC	0	0
4.		Number of complaints pending at the end of the year	0	0
5.*		Number of maintainable complaints received by the NBFC from Office of Ombudsman	1	0
	5.1.	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	1	0
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	0	0
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	0	0
6.*		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note: 1 complaint was received directly from customer and 1 through RBI CMS team, both of them was examined and suitable replies sent. However, no redirect came from either of the sources.
* Refer note 38(63) pertaining to Scale Based Regulations for FY 2020-21.

Top *five grounds of complaints received by the NBFCs from customers.*

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
For the year ended March 31, 2023					
Loans and advances	**0**	**2**	**200%**	**0**	**0**
Total	**0**	**2**	**200%**	**0**	**0**
For the year ended March 31, 2022					
NIL	-	-	-	-	-
Total	-	-	-	-	-

* Refer note 38(63) pertaining to Scale Based Regulations for FY 2020-21.

I. Ratings assigned by credit rating agencies and migration of ratings during the year

IREDA has raised resources by issue of taxable/tax−free/masala bond/ bank loans for which it has obtained ratings for these issuances from Domestic and international rating agencies. The details are as under: -

Tax-free Bonds / Taxable Bond		As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Rating Agency	Instrument/Purpose/Issue					
ICRA Limited	Tax−free bonds (₹ 20,000 Million) Fiscal 2015−16 Series XIV (Public and Private Placement)	ICRA AAA Stable	ICRA AA+ (Positive) Reaffirmed	ICRA AAA Stable Assigned	ICRA AA+ (Stable) Reaffirmed	ICRA AA+ (Stable) Reaffirmed
	Taxable Green bonds (₹ 7000 Million) Fiscal 2016−17 Series VI−A & VI−B	ICRA AAA Stable	ICRA AA+ (Positive) Reaffirmed	ICRA AAA Stable Assigned	ICRA AA+ (Stable) Reaffirmed	ICRA AA+ (Stable) Reaffirmed
	Taxable Unsecured Bonds XI A(₹ 1,060.00 Million) Fiscal 2021-22	ICRA AAA Stable	ICRA AA+ (Positive), Assigned	ICRA AAA Stable Assigned	ICRA AA+ (Stable) Assigned	-
	Taxable Unsecured Bonds series XII A, B, C and D(Rs. 38634.00 Million) Fiscal 2023	ICRA AAA Stable	-	ICRA AAA Stable Assigned	-	-
India Ratings Research Private Limited	Tax−free bonds (₹ 20,000 Million) Fiscal 2015−16 Series XIV (Public and Private Placement)	IND AAA (Stable)	IND AA+ (Positive) Affirmed	IND AA+ (Positive) Affirmed	IND AA+ (Stable) Affirmed	IND AA+ (Stable) Affirmed
	Taxable Green bonds (₹ 7,000 Million) Fiscal 2016−17 Series VI−A & VI−B	IND AAA (Stable)	IND AA+ (Positive) Affirmed	IND AA+ (Positive) Affirmed	IND AA+ (Stable) Affirmed	IND AA+ (Stable) Affirmed
	Taxable Bonds (₹ 8,650 Million) Fiscal 2018−19 Series VIIA & VIIB	IND AAA (Stable)	IND AA+ (Positive) Affirmed	IND AA+ (Positive) Affirmed	IND AA+ (Stable) Affirmed	IND AA+ (Stable) Affirmed
	Taxable Tier−II Sub Debt (₹ 1,500 Million) Fiscal 2018−19 Series VIII	IND AAA (Stable)	IND AA+ (Positive) Affirmed	IND AA+ (Positive) Affirmed	IND AA+ (Stable) Affirmed	IND AA+ (Stable) Affirmed
	Taxable Bonds (₹ 18,030 Million) Fiscal 19−20 Series IX−A & IX−B	IND AAA (Stable)	IND AA+ (Positive) Affirmed	IND AA+ (Positive) Affirmed	IND AA+ (Stable) Affirmed	IND AA+ (Stable) Affirmed
	Taxable Tier−II Subordinated bonds (₹ 5,000.00 Million) Fiscal 20−21 Series X	IND AAA (Stable)	IND AA+ (Positive) Affirmed	IND AA+ (Positive) Affirmed	IND AA+ (Stable) Affirmed	IND AA+ (Stable) Affirmed
	Taxable Unsecured Bonds (₹ 1,060.00 Million) Fiscal 2021-22	IND AAA (Stable)	IND AA+/Stable, Assigned	IND AA+/(Positive), Assigned	IND AA+ (Stable) Assigned	-
	Taxable Unsecured Bonds series XII A, B, C and D(Rs. 38,634.00 Million) Fiscal 2023	IND AAA (Stable)	-	IND AA+/(Positive) Assigned	-	-
	Taxable Bonds Series III-B & V (₹ 4,500 Million)	CARE AA+(Positive)	CARE AAA (CE), Stable Reaffirmed	CARE AA+/(Positive)	CARE AAA (CE), Stable Reaffirmed	CARE AAA (CE), Stable Reaffirmed

Tax-free Bonds / Taxable Bond		As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
CARE Ratings Limited	Tax Free Bonds Series−XIII Public & Private Placement (₹ 7,576.55 Million Fiscal Year 13−14)	CARE AA+(Positive)	CARE AAA (CE), Stable Reaffirmed	CARE AA+/(Positive)	CARE AAA (CE), Stable Reaffirmed	CARE AAA (CE), Stable Reaffirmed
	Taxable Green bonds Sr. VIA & VIB (₹ 7,000 Million) Fiscal 2016−17	CARE AA+(Positive)	CARE AA+, Stable Reaffirmed	CARE AA+/(Positive)	CARE AA+, Stable Reaffirmed	CARE AA+, Stable Reaffirmed
	Taxable Unsecured Bonds (₹ 1,060.00 Million) Fiscal 2021-22	CARE AA+(Positive)	CARE AA+; Stable, Reaffirmed	CARE AA+/(Positive)	CARE AA+, Stable Assigned	-
	Taxable Unsecured Bonds (₹ 38,634 million) Fiscal 2022-23 Series XII-A,B,C & D	CARE AA+(Positive)	-	-	-	-
Brickwork Ratings*	Long Term Taxable Bonds Series III-B, IV & V (₹ 7,500 Million)	BWR AAA Stable, Reaffirmed, migration to issuer NOT CO OPERATING category	BWR AAA (CE), Stable Reaffirmed	BWR AAA (CE), Stable Reaffirmed	BWR AAA (CE), Negative Reaffirmed	BWR AAA (CE), Negative Reaffirmed
	Tax Free Bonds Series−XIII Public & Private Placement (₹ 7,576.54 Million Fiscal Year 13−14)	BWR AAA Stable, Reaffirmed, migration to issuer NOT CO OPERATING category	BWR AAA (CE), Stable Reaffirmed	BWR AAA (CE), Stable Reaffirmed	BWR AAA (CE), Negative Reaffirmed	BWR AAA (CE), Negative Reaffirmed
	Taxable Green Bonds (₹ 8,650 Million) Fiscal 2020 Series VIIA & VIIB	BWR AAA Stable, Reaffirmed, migration to issuer NOT CO OPERATING category	BWR AAA, Stable Reaffirmed	BWR AAA, Stable Reaffirmed	BWR AAA , Negative Reaffirmed	BWR AAA , Negative Reaffirmed
	Taxable Tier−II Sub Debt (₹ 1,500 Million) Fiscal 2018−19 Series VIII	BWR AAA Stable, Reaffirmed, migration to issuer NOT CO OPERATING category	BWR AAA, Stable Reaffirmed	BWR AAA, Stable Reaffirmed	BWR AAA , Negative Reaffirmed	BWR AAA , Negative Reaffirmed
	Taxable Bonds (₹ 18,030 Million) Fiscal 19−20 Series IX−A & IX−B	BWR AAA Stable, Reaffirmed, migration to issuer NOT CO OPERATING category	BWR AAA, Stable Reaffirmed	BWR AAA, Stable Reaffirmed	BWR AAA , Negative Reaffirmed	BWR AAA , Negative Reaffirmed
	Taxable Tier−II Subordinated-bond (₹ 5,000.00 Million) Fiscal 20−21 Series X	BWR AAA Stable, Reaffirmed, migration to issuer NOT CO OPERATING category	BWR AAA, Stable Reaffirmed	BWR AAA, Stable Reaffirmed	BWR AAA , Negative Reaffirmed	BWR AAA , Negative Reaffirmed

*Note: The necessary data for our rating was withheld from the rating agency in view of ongoing challenge to Brickwork's license.

Note:(i) ICRA Limited has rated Long Term bonds programme FY 2024 of Rs 215,000 million as ICRA AAA with Stable outlook.

Note(ii) India Ratings and Research Private Limited has rated Long Term bonds programme FY 2024 of Rs 215,000 million as IND AAA with Stable outlook.

❖ **Bank loans**

❖ **Bank loans**

Rating agency	Rating	Term loans
Brickworks Rating*	BWR AAA Stable, Reaffirmed Migration to ISSUER NOT COOPERATING category	Term loan rated total of ₹ 107,000.00 millions. Detail of the allocation: Loans availed include: ❖ Punjab National Bank Term Loan ₹ 27,000.00 millions ❖ State Bank of India Term Loan ₹ 34,500.00 millions ❖ SMBC ₹ 3,500.00 millions RBL ₹ 3,000.00 millions ❖ Yes Bank ₹ 5,000.00 millions ❖ Bank of Baroda ₹ 5,000.00 millions ❖ Bank of India ₹ 29,000.00 millions
Acuite Rating and Research	ACUITE AAA Stable	Term loan rated total of Rs. 259,200.10 millions Details of the allocation; Loans/credit facilities availed include: ❖ Punjab National Bank: Term Loan ₹ 21,000.00 millions. ❖ State Bank of India Term Loan: ₹ 70,000.00 millions ❖ SMBC: ₹ 3,500.00 million ❖ RBL: ₹ 3,000.00 millions, ❖ Yes Bank: ₹ 7,000.00 millions ❖ Bank of Baroda: ₹ 5,000.00 millions ❖ Bank of India: ₹ 38,900.00 millions ❖ Karnataka Bank ₹ 5000.00 millions ❖ Central Bank of India ₹ 20,000.00 millions ❖ HDFC Bank ₹ 5,800.00 millions ❖ Indian Bank: ₹ 10,000 millions ❖ Bank Borrowings for FY 22-23 ₹ 70,000.10 millions

*Note: The necessary data for our rating was withheld from the rating agency in view of ongoing challenge to Brickwork's license.

❖ **Masala Bonds**

As on 30.09.2023
Upon maturity of Masala Bonds in October 2022, the ratings provided by Moody's Investor Services and Fitch Rating were withdrawn by respective agencies.

As on 30.09.2022

Rating Agencies	Long Term Issuer rating - Migration	Amount Raised
Moody's Investor's Service	Baa3, Outlook Stable (Outlook changed from Negative to Stable, Rating remaining unchanged)	USD 300 Million
Fitch Rating	BBB−, Outlook Negative	USD 300 Million

❖ **GOI Fully Serviced Bonds**

Rating Agency	Instrument/ Purpose /Issue	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
CARE Ratings Limited India Ratings & Researc Private Limited ICRA Limited	GOI Fully Serviced Bonds (₹ 16,400 Million) Fiscal 2016−17	AAA, stable, Reaffirmed	AAA, stable, Reaffirmed	AAA, stable, Reaffirmed	AAA, stable, Reaffirmed	AAA, stable, Reaffirmed

J. Concentration of Deposits, Advances, Exposures and NPAs

Concentration of Advances

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total Advances to twenty largest borrowers	188,650.59	139,102.78	187,117.85	149,437.12	101,035.79
Percentage of Advances to twenty largest borrowers to Total Advances	39.70%	41.17%	39.75%	44.04%	36.27%

❖ Concentration of Exposures

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers/customers	188,650.59	158,082.88	247,304.08	156,185.00	105,395.14
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the applicable	39.70%	46.79%	52.53%	46.03%	37.84%

❖ Concentration of NPAs

(₹ in Million)

Particulars	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Total Exposure to top four NPA accounts	5,906.18	6,037.06	5,906.18	6,523.40	6,835.27

Sector-wise NPAs

Sector		%age of NPAs to Total Advances in that sector			
	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1. Agriculture & allied activities	-	-	-	-	-
2. MSME	-	-	-	-	-
3. Corporate borrowers	3.13 %	5.06%	3.21%	5.21%	8.77%
4. Services	-	-	-	-	-
5. Unsecured personal loans	-	-	-	-	-
6. Auto loans	-	-	-	-	-
7. Other personal loans	-	-	-	-	-

Note – IREDA is in the business of financing RE projects to corporate borrower, hence Total of Gross NPA % is shown in corporate borrower.

❖ Movement of NPAs

(₹ in Million)

Particulars		As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
(i) **Net NPAs to Net Advances (%)**		1.65%	2.72%	1.66%	3.12%	5.61%
(ii) Movement of NPAs(Gross)						
(a)	Opening balance	15,133.54	17,682.55	17,682.55	24,415.53	23,730.02
(b)	Additions during the year	443.39	94.40	78.92	326.97	5,307.42
c)	Reductions during the year	716.11	689.27	2,627.92	7,059.96	4,621.91
(d)	Closing balance	14,860.81	17,087.67	15,133.55	17,682.54	24,415.53
(iii) Movement of Net NPAs						
(a)	Opening balance	7,680.24	10,353.90	10,353.90	15,102.24	16,374.61

(b) Additions during the year	281.35	33.45	69.66	290.33	4,352.82
(c) Reductions during the year (b/f)	250.83	1,429.93	2,743.32	5,038.67	5,625.18
d) Closing balance	7,710.76	8,957.41	7,680.24	10,353.90	15,102.24
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)					
(a) Opening balance	7,453.30	7,328.64	7,328.64	9,313.29	7,355.41
b) Provisions made during the year	226.37	1,138.53	1,611.53	1,516.91	3,524.12
c) Write−off / write− back of excess Provisions	529.62	336.92	1,486.87	3,501.55	1,566.24
(d) Closing balance	7,150.05	8,130.26	7,453.30	7,328.65	9,313.29

Also refer note 38(44)

K. Disclosure under RBI circular No. RBI/2020-21/88 DOR.NBFC (PD) CC. No.102/03.10.001/2020-21 dated November 04, 2020 on Liquidity Risk Management Framework for Non−Banking Financial Companies and Core Investment Companies

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sl.	Period	Number of Significant Counterparties*	Amount (₹ in Million)	% of Total deposits	% of Total Liabilities
1	As at September 30, 2023	33	333,774.58	N.A.	74.71 %
2	As at September 30, 2022	16	174,041.37	N.A.	43.04%
3	As at March 31, 2023	26	302,161.57	N.A.	59.90%
4	As at March 31, 2022	12	193,807.45	N.A.	61.64%
5	As at March 31, 2021	13	159,456.05	N.A.	58.41%

Note:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC−NDSI's, NBFC−Ds total liabilities and 10% for other non−deposit taking NBFCs .
- Total Liabilities has been computed as Total Assets less Equity Share Capital and Reserve & Surplus.

ii) Top 20 large deposits

(₹ in Million)

Period	Large deposits	Amount	% of Total Deposits
As at September 30, 2023	Not Applicable		
As at September 30, 2022			
As at March 31, 2023			
As at March 31, 2022			
As at March 31, 2021			

iii) Top 10 borrowings :

As at September 30, 2023

Sl.	Borrowings	Amount	% Of Total Borrowings
1	Term Loan Facility IV- SBI (22-23 Rs 2500 crore)	22,916.67	5.75%
2	Term Loan Facility – IIFCL (2020-21)	20,000.00	5.02%
3	Term Loan Facility I- NaBFID (22-23 Rs 3000 crore)	18,000.00	4.52%
4	JICA-II	16,726.26	4.20%
5	Term Loan Facility III- SBI (21-22 Rs 3000 crore)	16,419.00	4.12%
6	7.94% IREDA Taxable unsecured bonds Series XII-D	15,000.00	3.76%
7	JICA	14,701.16	3.69%
8	EIB	14,232.51	3.57%
9	Term Loan- PNB (FY 22-23 Rs 1500 crores)	14,062.50	3.53%
10	Loan from EIB-II	13,932.79	3.50%

As at September 30, 2022

Sl.	Borrowings	Amount	% Of Total Borrowings
1	Term Loan Facility III- SBI (21-22 Rs 3000 crore)	27,473.00	9.10%
2	Term Loan Facility – IIFCL (2020-21)	20,000.00	6.62%
3	Masala Bond	19,500.00	6.46%
4	JICA-II	16,915.07	5.60%
5	JICA	15,693.07	5.20%
6	EIB	15,061.90	4.99%
7	Loan from EIB-II	14,049.41	4.65%
8	Loan From ADB - II	13,592.03	4.50%
9	8% IREDA Taxable Bonds-Sr-IX-A -2029 (19-20)	12,000.00	3.97%
10	IREDA TAXFREE BONDS SR XIV Tranche-I-IIA 7.49% 15yr 21.1.31	11,000.00	3.64%

As at March 31, 2023

Sl.	Borrowings	Amount (₹ in Million)	% Of Total Borrowings
1	Term Loan Facility IV- SBI	25,000.00	6.22%
2	Term Loan Facility – IIFCL	20,000.00	4.98%
3	Term Loan Facility III- SBI	18,946.00	4.72%
4	JICA-II	18,521.46	4.61%
5	JICA	16,731.21	4.17%
6	7.94% IREDA Taxable unsecured bonds Series XII-D	15,000.00	3.73%
7	Term Loan- PNB	15,000.00	3.73%
8	EIB	14,636.52	3.64%
9	Loan from EIB-II	13,977.81	3.48%
10	Loan from ADB - II	13,154.70	3.27%

As at March 31, 2022

Borrowings	Amount (₹ in Million)	% of Total Borrowings
1. Term Loan Facility III- SBI	24,000.00	8.69%
2. Term Loan Facility – IIFCL	20,000.00	7.24%
3. 7.125% Green Masala Bond	19,484.70	7.06%
4. Loan II from Japan International Cooperation Agency (JICA)	18,650.33	6.75%
5. Loan I from Japan International Cooperation Agency (JICA)	17,758.31	6.43%
6. Loan I from European Investment Bank (EIB)	14,506.24	5.25%
7. Loan II from Asian Development Bank (ADB)	13,139.90	4.76%
8. Loan II from European Investment Bank (EIB)	13,059.67	4.73%
9. 8% Taxable Bonds (Series IX A- 2019-20)	9,997.96	3.62%
10. 7.49% Taxfree Bonds(Series XIV Tranche-I-IIA)	8,842.65	3.20%

As at March 31, 2021

Borrowings	Amount (₹ in Million)	% of Total Borrowings
1. Term Loan Facility − IIFCL (2020−21)	20,000.00	8.33%
2. Loan I from Japan International Cooperation Agency (JICA)	19,908.00	8.29%
3. Loan II from Japan International Cooperation Agency (JICA)	19,888.09	8.29%
4. 7.125% Green Masala Bond	19,456.79	8.11%
5. Loan I from European Investment Bank (EIB)	15,045.77	6.27%
6. Loan II from Asian Development Bank (ADB)	13,720.88	5.72%
7. 8% Taxable Bonds (Series IX A− 2019−20)	9,997.77	4.17%
8. 7.49% Taxfree Bonds(Series XIV Tranche−I−IIA− 2015−16)	8,842.65	3.68%
9. 7.40% IREDA Taxable Bonds−Sr−IX−B −2030 (19−20)	8,025.71	3.34%
10. Loan II from Agence Francaise De Developpement(AFD-II)	7,318.41	3.05%

iv) Funding Concentration based on significant instrument/product

As at September 30, 2023

Sl.	Number of the instrument / product	Amount (₹)	% Of Total Liabilities
1.	Tax-free Bonds – Non-Convertible Redeemable Debentures (Secured)	27,576.55	6.17%
2.	Taxable Bonds – Non-Convertible Redeemable Debentures (Secured)	38,180.00	8.55%
3.	Masala Bonds (Unsecured)	-	0.00%
4.	Subordinated Liabilities	6,500.00	1.45%
5.	Term Loans from Banks (Secured)	173,364.60	38.80%
6.	Term Loans from Banks (Unsecured)	12,352.48	2.76%
7.	Term Loans from Others (Unsecured)	90,864.18	20.34%

As at September 30, 2022

Sl.	Number of the instrument / product	Amount (₹ in Million)	% Of Total Liabilities
1.	Tax-free Bonds – Non-Convertible Redeemable Debentures (Secured)	27,576.55	6.82%
2.	Taxable Bonds – Non-Convertible Redeemable Debentures (Secured)	41,180.00	10.18%
3.	Masala Bonds (Unsecured)	19,500.00	4.82%
4.	Subordinated Liabilities	6,500.00	1.61%
5.	Term Loans from Banks (Secured)	87,267.95	21.58%
6.	Term Loans from Banks (Unsecured)	7,068.05	1.75%
7.	Term Loans from Others (Unsecured)	93,687.33	23.17%

As at March 31, 2023

Sl.	Number of the instrument / product	Amount (₹ in Million)	% of Total Liabilities
1.	Tax-free Bonds – Non-Convertible Redeemable Debentures (Secured)	27,576.55	5.47%
2.	Taxable Bonds – Non-Convertible Redeemable Debentures (Secured)	41,180.00	8.16%
3.	Masala Bonds (Unsecured)	-	0.00%
4.	Subordinated Liabilities	6,500.00	1.29%
5.	Term Loans from Banks (Secured)	165,033.48	32.71%
6.	Term Loans from Banks (Unsecured)	25,610.52	5.08%
7.	Term Loans from Others (Unsecured)	96,082.71	19.05%

As at March 31, 2022

Sl.	Number of the instrument / product	Amount (₹ in Million)	% of Total Liabilities
1.	Taxfree Bonds − Non Convertible Redeemable Debentures (Secured)	27,576.55	8.77%
2.	Taxable Bonds − Non Convertible Redeemable Debentures(Secured)	44,170.23	14.05%
3.	Masala Bonds (Unsecured)	19,484.70	6.20%
4.	Subordinated Liabilities	6,492.60	2.07%
5.	Term Loans from Banks (Secured)	67,671.74	21.52%
6.	Term Loans from Banks (Unsecured)	8,140.17	2.59%
7.	Term Loans from Others (Unsecured)	99,520.42	31.65%

As at March 31, 2021

Sl.	Number of the instrument / product	Amount (₹ in Million)	% of Total Liabilities
1.	Taxfree Bonds − Non Convertible Redeemable Debentures (Secured)	27,576.55	10.10%
2.	Taxable Bonds − Non Convertible Redeemable Debentures(Secured)	44,169.28	16.18%
3.	Masala Bonds (Unsecured)	19,456.79	7.13%
4.	Subordinated Liabilities	6,491.92	2.38%
5.	Term Loans from Banks (Secured)	25,473.53	9.33%
6.	Term Loans from Banks (Unsecured)	9,767.64	3.58%

7.	Term Loans from Others (Unsecured)	95,343.19	34.93%
8.	Loans repayable on demand	4,601.57	1.69%
9.	FCNR(B) Demand Loans	7,119.58	2.61%

Note:
- ❖ A “Significant counterparty” is defined as a single counterparty or a group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC−NDSI's, NBFC−Ds total liabilities and 10% for other non−deposit taking NBFCs.
- ❖ Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus.
- ❖ A "significant instrument/product" is defined as a single instrument/product of Company of similar instruments/products which in aggregate amount to more than 1% of the NBFC−NDSI's, NBFC−Ds total liabilities and 10% for other non−deposit taking NBFCs.

v) Stock Ratios:

Number of the instrument / product	As at September 30, 2023	As at September 30, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
1. Commercial papers as a % of total public funds	N/A	N/A	N/A	N/A	N/A
2. Commercial papers as a % of total liabilities	N/A	N/A	N/A	N/A	N/A
3. Commercial papers as a % of total assets	N/A	N/A	N/A	N/A	N/A
4. Non−convertible debentures (original maturity of less than one year) as a % of total public funds	N/A	N/A	N/A	N/A	N/A
5. Non−convertible debentures (original maturity of less than one year) as a % of total liabilities	N/A	N/A	N/A	N/A	N/A
6. Non−convertible debentures (original maturity of less than one year) as a % of total assets	N/A	N/A	N/A	N/A	N/A
7. Other short−term liabilities, if any as a % of total public funds	4.92%	5.17%	3.55 %	3.40%	4.01%
8. Other short−term liabilities, if any as a % of total liabilities	4.39%	4.48%	3.20 %	2.98%	3.53%
9. Other short−term liabilities, if any as a % of total assets	3.82%	3.86%	2.83 %	2.55%	3.18%

Note: Other short−term liabilities have been computed as sum total of Trade Payables, Other financial & Non−financial liabilities excluding GOI Fully Serviced Bonds.

vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has constituted the Asset Liability Management Committee, Risk Management Committee and Investment Committee. The Asset Liability Management Committee, inter alia, reviews the asset liability profile, risk monitoring system, liquidity risk management, funding and capital planning, profit planning and growth projections, forecasting and analyzing different scenarios and preparation of contingency plans.

Further, the Risk Management Committee, inter alia, monitors and measures the risk profile of the Company and oversees the integrated risk management system of the Company. The Company manages liquidity risk by maintaining sufficient cash/treasury surpluses. Management regularly monitors the position of cash and cash equivalents. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of balance sheet liquidity is considered while reviewing the liquidity position. (Through submission and monitoring of DNBS 4A and DNBS 4B Statements). The Company is already working on improving the existing liquidity risk management process by setting up of process for calculation of Liquidity Coverage Ratio (LCR) and management of liquidity risk through stock ratios.

L. The Disclosure under RBI circular No. RBI/2019−20/170 DO (NBFC).CC.PD.No. 109/22.10.106/ 2019−20 dated March 13, 2020 on Implementation of Indian Accounting Standards :

As at September 30, 2023

(₹ in Million)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	**2**	**3**	**4**	**(5) =(3)-(4)**	**6**	**(7) = (4)-(6)**
Performing Assets						
Standard	Stage 1	443,169.30	3,379.38	439,789.92	5,776.25*	
	Stage 2	16,139.65	5,845.49	10,294.16		3,448.61
Sub total		**459,308.95**	**9,224.86**	**45,0084.09**	**5,776.25**	**3,448.61**
Non-Performing Assets (NPA)						
Substandard	Stage 3	446.67	163.75	282.92	44.67	119.09
Doubtful - up to 1 year	Stage 3	118.10	11.81	106.29	80.66	(68.85)
1 to 3 years	Stage 3	2,495.30	1,251.55	1,243.75	1,217.67	33.88
More than 3 years	Stage 3	11,800.45	5,722.64	6,077.81	7,891.88	(2,169.24)
Subtotal for doubtful		**14,413.84**	**6,986.00**	**7,427.85**	**9,190.21**	**(2,204.22)**
Loss	Stage 3	0.30	0.30	-	0.30	-
Subtotal for NPA		**14,860.81**	**7,150.05**	**7,710.76**	**9,235.18**	**(2,085.13)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	6,342.85	15.11	6,327.73	-	15.11
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**6,342.85**	**15.11**	**6,327.73**	**-**	**15.11**
	Stage 1	449,512.15	3,394.49	446,117.66	**15,011.43**	**1,378.60**
	Stage 2	16,139.65	5,845.49	10,294.16		
	Stage 3	14,860.81	7,150.05#	7,710.76		
	Grand Total	**480,512.60**	**16,390.03**	**464,122.58**	**15,011.43**	**1,378.60**

* Includes Provision for Restructured and General Provision
# excluding provision on incidental charges (Dr. Bal.) on NPA accounts of ₹ 111.03 Million

As at September 30, 2022

(₹ in Million)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	**2**	**3**	**4**	**(5) =(3)-(4)**	**6**	**(7) = (4)-(6)**
Performing Assets						
Standard	Stage 1	297,706.39	3,302.36	294,404.03	4,517.15*	3,877.01
	Stage 2	22,390.51	5,091.81	17,298.70		
Sub total		**320,096.89**	**8,394.17**	**311,702.73**	**4,517.15**	**3,877.01**
Non-Performing Assets (NPA)						
Substandard	Stage 3	420.13	102.85	317.28	42.01	60.84
Doubtful - up to 1 year	Stage 3	2,793.65	903.26	1,890.40	2,015.47	(1,112.21)
1 to 3 years	Stage 3	5,123.84	2,660.14	2,463.70	3,454.22	(794.08)
More than 3 years	Stage 3	8,749.67	4,463.63	4286.04	5,417.33	(953.70)
Subtotal for doubtful		**16,667.17**	**8,027.04**	**8,640.13**	**10,887.02**	**(2,859.99)**
Loss	Stage 3	0.37	0.37	-	0.37	-
Subtotal for NPA		**17,087.67**	**8,130.26**	**8,957.41**	**10,929.40**	**(2,799.15)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	18,146.37	35.10	18,111.28	-	35.10
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**18,146.37**	**35.10**	**18,111.28**	**-**	**35.10**
	Stage 1	315,852.76	3,337.45	312,515.31	15,446.56	1,112.96
	Stage 2	22,390.51	5,091.81	17,298.70		
	Stage 3	17,087.67	8,130.26#	8,957.41		
	Grand Total	**355,330.94**	**16,559.52**	**338,771.42**	**15,446.56**	**1,112.96**

* Includes Provision for Restructured and General Provision
# excluding provision on incidental charges (Dr. Bal.) on NPA accounts of ₹ 66.42 Million

As at March 31, 2023 **(₹ in Million)**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) =(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	439,022.45	5,153.09	433,869.37	4,940.10*	5,131.35
	Stage 2	16,197.62	4,918.36	11,279.26		
Sub total		**455,220.07**	**10,071.45**	**445,148.63**	**4,940.10**	**5,131.35**
Non-Performing Assets (NPA)						
Substandard	Stage 3	78.92	9.26	69.66	7.89	1.37
Doubtful - up to 1 year	Stage 3	51.32	5.13	46.19	20.36	(15.23)
1 to 3 years	Stage 3	4,695.52	2,075.20	2,620.32	2,306.52	(231.32)
More than 3 years	Stage 3	10,307.48	5,363.41	4,944.07	6,907.81	(1,544.40)
Subtotal for doubtful		**15,054.32**	**7,443.74**	**7,610.58**	**9,234.69**	**(1,790.95)**
Loss	Stage 3	0.30	0.30	0.00	0.30	0.00
Subtotal for NPA		**15,133.54**	**7,453.30**	**7,680.24**	**9,242.88**	**(1,789.58)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	18,526.56	26.10	18,500.47	-	26.10
	Stage 2	-	-	-	-	-
	Stage 3	-	-		-	-
Subtotal		**18,526.56**	**26.10**	**18,500.47**	**0.00**	**26.10**
	Stage 1	457,549.01	5,179.19	452,369.84	14,182.98	3,367.87
	Stage 2	16,197.62	4,918.36	11,279.26		
	Stage 3	15,133.54	7,453.30#	7,680.24		
	Grand Total	**488,880.17**	**17,550.85**	**471,329.34**	**14,182.98**	**3,367.87**

* Includes Provision for Restructured and General Provision
# Excluding provision on incidental charges (Dr. Bal.) on NPA accounts of ₹ 93.96 Million.

As at March 31, 2022 **(₹ in Million)**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	294,254.14	4,971.09	289,283.05	4,317.36*	5,205.64

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
	Stage 2	26,739.48	4,551.91	22,187.57		
Sub total		**320,993.62**	**9,523.00**	**311,470.62**	**4,317.36**	**5,205.64**
Non-Performing Assets (NPA)						
Substandard	Stage 3	326.97	36.65	290.33	32.70	3.95
Doubtful – up to 1 year	Stage 3	2,894.37	607.69	2,286.68	2,035.56	(1,427.86)
1 to 3 years	Stage 3	6,561.45	3,041.92	3,519.53	4,061.04	(1,019.12)
More than 3 years	Stage 3	7,899.35	3,641.98	4,257.37	4,865.32	(1,223.34)
Subtotal for doubtful		**17,355.17**	**7,291.59**	**10,063.58**	**10,961.92**	**(3,670.32)**
Loss	Stage 3	0.40	0.40	-	0.40	-
Subtotal for NPA		**17,682.54**	**7,328.64**	**10,353.91**	**10,995.02**	**(3,666.37)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	14,538.31	66.99	14,471.31	-	66.99
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**14,538.31**	**66.99**	**14,471.31**	**-**	**66.99**
Total	**Stage 1**	**308,792.45**	**5,038.08**	**303,754.36**	**15,312.38**	**1,606.26**
	Stage 2	**26,739.48**	**4,551.91**	**22,187.57**		
	Stage 3	**17,682.54**	**7,328.64#**	**10,353.91**		
	Total	**353,214.47**	**16,918.63**	**336,295.84**	**15,312.38**	**1,606.26**

* Includes Provision for Reschedulement and General Provision
# Excluding provision on incidental charges (Dr. Bal.) on NPA accounts of ₹ 60.39 Million.

As at March 31, 2021 **(₹ in Million)**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	**2**	**3**	**4**	**(5)=(3)-(4)**	**6**	**(7) = (4)-(6)**
Performing Assets						
Standard	Stage 1	237,274.61	2,554.73	2,34,719.88	3715.11*	2,069.10
	Stage 2	16,386.24	3,229.48	13,156.76		-
Sub total		**253,660.85**	**5,784.21**	**247,876.64**	**3,715.11**	**2,069.10**
Non-Performing Assets (NPA)						
Substandard	Stage 3	5,307.42	954.61	4,352.82	530.74	423.86
Doubtful – up to 1 year	Stage 3	6,448.90	2,080.97	4,367.93	2,309.00	(228.03)
1 to 3 years	Stage 3	4,481.44	2,151.49	2,329.95	2,787.26	(635.77)
More than 3 years	Stage 3	8,177.33	4,125.78	4,051.55	4,906.29	(780.51)
Subtotal for doubtful		**19,107.67**	**8,358.24**	**10,749.43**	**10,002.55**	**(1,644.31)**
Loss	Stage 3	0.44	0.44	-	0.44	-
Subtotal for NPA		**24,415.53**	**9,313.29**	**15,102.25**	**10,533.73**	**(1,220.44)**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current	Stage 1	10,491.00	48.67	10,442.33	-	48.67
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-

Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Subtotal		**10,491.00**	**48.67**	**10,442.33**	-	**48.67**
Total	**Stage 1**	247,765.61	2,603.40	245,162.21	14,248.84	897.33
	Stage 2	16,386.24	3,229.48	13,156.76	-	-
	Stage 3	24,415.53	9,313.29#	15,102.25	-	-
	Total	**288,567.38**	**15,146.17**	**273,421.22**	**14,248.84**	**897.33**

*Includes Provision on Reschedulement, Special Covid−19 General Provision
Excluding provision on incidental charges (Dr. bal.) on NPA accounts of ₹ 33.87 Million.

M. **Disclosure on Liquidity Coverage Ratio: -**

RBI has issued final guidelines on Liquidity Risk Management Framework for Non−Banking Financial Companies and Core Investment Companies on November 04, 2019. As per the said guidelines, LCR requirement shall be binding on all non−deposit taking systemically important NBFCs with asset size of ₹ 1,00,000 Million and above from December 01, 2020, with the minimum LCR to be 50%, progressively increasing, till it reaches the required level of 100%, by December 01, 2024, as per the timeline given in the guidelines. Further, NBFC are required to publicly disclose the information related to Liquidity Coverage Ratio on a Half Yearly basis. Accordingly, the disclosure on Liquidity Coverage Ratio of IREDA for the Half Year ended September 30, 2023 & September 30, 2022 and FY2023, FY2022 & FY2021 is as under: -

For the Half Year ended September 30, 2023 **(₹ in Million)**

High Quality Liquid Assets		Q1 (Apr-June 2023)		Q2 (July -Sept 2023)	
		Total Unweighted Value (average)	**Total weighted Value (average)**	**Total Unweighted Value (average)**	**Total weighted Value (average)**
1	Total High Quality Liquid Assets (HQLA)	2,964.08	2,964.08	9,126.54	9,126.54
Cash Outflows					
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	4,707.59	5,413.72	1,058.45	1,217.22
4	Secured wholesale funding	4,167.13	4,792.20	4,681.83	5,384.10
5	Additional requirements, of which	-	-	-	-
(i)	Outflows related to derivative exposures & other collateral requirements	277.39	319.00	803.03	923.49
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-
6	Other contractual funding obligations	281.05	323.20	57.82	66.49
7	Other contingent funding obligations	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**9,433.15**	**10,848.13**	**6,601.13**	**7,591.30**
Cash Inflows					
9	Secured lending	9,478.98	7,109.24	7,093.65	5,320.24
10	Inflows from fully performing exposures	-	-	-	-
11	Other cash inflows	-	-	-	-
12	**TOTAL CASH INFLOWS**	**9,478.98**	**7,109.24**	**7,093.65**	**5,320.24**
					Total Adjusted Value
13	TOTAL HQLA		2,964.08		9,126.54
14	TOTAL NET CASH OUTFLOWS		3,738.89		2,271.06
15	LIQUIDITY COVERAGE RATIO (%)		79%		402%

For the Half Year ended September 30, 2022 **(₹ in Million)**

High Quality Liquid Assets		Q1 (April-June 2022)		Q2 (July-Sept 2022)	
		Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
1	Total High Quality Liquid Assets (HQLA)	2,906.35	2,906.35	11,402.24	11,402.24
Cash Outflows					
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	660.08	759.09	5,263.47	6,052.99
4	Secured wholesale funding	2,075.39	2,386.70	944.12	1,085.74
5	Additional requirements, of which			-	-
(i)	Outflows related to derivative exposures & other collateral requirements	344.29	395.93	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-
6	Other contractual funding obligations	-	-	-	-
7	Other contingent funding obligations	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**3,079.76**	**3,541.72**	**6,207.58**	**7,138.72**
Cash Inflows					
9	Secured lending	7,165.33	5,373.99	6,080.96	4,560.72
10	Inflows from fully performing exposures	-	-	-	-
11	Other cash inflows	-	-	-	-
12	**TOTAL CASH INFLOWS**	**7,165.33**	**5,373.99**	**6,080.96**	**4,560.72**
					Total adjusted value
13	TOTAL HQLA		2,906.35		11,402.24
14	TOTAL NET CASH OUTFLOWS		885.43		2,578.00
15	LIQUIDITY COVERAGE RATIO (%)		328%		442%

For the year ended March 31, 2023

(₹ in Million)

High Quality Liquid Assets		Q1 (April-June 2022)		Q-2 (Jul-Sep 2022)		Q-3 (Oct-Dec 2022)		Q-4 (Jan- Mar)	
		Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
1	Total High-Quality Liquid Assets (HQLA)	2,906.35	2,906.35	11,402.24	11,402.24	15,471.93	15,471.93	22,677.25	22,677.25
Cash Outflows									
2	Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	660.08	759.09	5,263.47	6,052.99	2,990.53	3,439.11	269.19	309.56
4	Secured wholesale funding	2,075.39	2,386.70	944.12	1,085.74	1,210.13	1,391.64	1,480.81	1,702.93
5	Additional requirements, of which								

(i)	Outflows related to derivative exposures & other collateral requirements	344.29	395.93	-	-	307.82	354.00	369.99	425.49
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	-	-	-	-	-	-	-	-
6	Other contractual funding obligations	-	-	-	-	-	-	281.05	323.20
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	**TOTAL CASH OUTFLOWS**	**3,079.76**	**3,541.72**	**6,207.59**	**7,138.73**	**4,508.48**	**5,184.75**	**2,401.04**	**2,761.18**
Cash Inflows									
9	Secured lending	7,165.33	5,373.99	6,080.96	4,560.72	6,910.67	5,183.00	5,463.34	4,097.51
10	Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11	Other cash inflows	-	-	-	-	5,036.26	3,777.20	-	-
12	**TOTAL CASH INFLOWS**	**7,165.33**	**5,373.99**	**6,080.96**	**4,560.72**	**11,946.93**	**8,960.20**	**5,463.34**	**4,097.51**
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	TOTAL HQLA		2,906.35		11,402.24		15,471.93		22,677.25
14	TOTAL NET CASH OUTFLOWS		885.43		2,578.00		1,296.19		690.30
15	LIQUIDITY COVERAGE RATIO (%)		328%		442%		1194%		3285%

For the year ended March 31, 2022

(₹ in Million)

High Quality Liquid Assets	Q1 (April-June 2021)		Q2 (Jul-Sep 2021)		Q3 (Oct-Dec 2021)		Q4 (Jan-Mar 2022)	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
1 Total High Quality Liquid Assets (HQLA)	811.86	811.86	2,303.82	2,303.82	2,842.83	2,842.83	11,950.59	11,950.59
Cash Outflows								

High Quality Liquid Assets	Q1 (April-June 2021)		Q2 (Jul-Sep 2021)		Q3 (Oct-Dec 2021)		Q4 (Jan-Mar 2022)	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	340.36	391.42	200.31	230.35	651.62	749.36	218.38	251.14
4 Secured wholesale funding	822.34	945.69	632.14	726.96	807.29	928.38	247.03	284.09
5 Additional requirements, of which								
(i) Outflows related to derivative exposures & other collateral requirements	326.63	375.63	347.77	399.93	332.33	382.18	334.19	384.32
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	59.01	67.87	-	-	-	-	276.43	317.89
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 TOTAL CASH OUTFLOWS	**1,548.34**	**1,780.61**	**1,180.22**	**1,357.24**	**1,791.24**	**2,059.92**	**1,076.03**	**1,237.44**
Cash Inflows								
9 Secured lending	5,074.95	3,806.22	6,402.36	4,801.77	11,113.03	8,334.77	8,951.16	6,713.37
10 Inflows from fully performing exposures	-	-	-	-	-	-	-	-
11 Other cash inflows	-	-	-	-	-	-	-	-
12 TOTAL CASH INFLOWS	**5,074.95**	**3,806.22**	**6,402.36**	**4,801.77**	**11,113.03**	**8,334.77**	**8,951.16**	**6,713.37**
	Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value	
13 TOTAL HQLA		811.86		2,303.82		2,842.83		11,950.59
14 TOTAL NET CASH OUTFLOWS		445.15		339.31		514.98		309.36
15 LIQUIDITY COVERAGE RATIO (%)		182%		679%		552%		3863%

For the year ended March 31, 2021

(₹ in Million)

High Quality Liquid Assets	Q1 (April-June 2020)		Q-2 (Jul-Sep 2020)		Q-3 (Oct-Dec 2020)		Q-4 (Jan-Mar 2021)	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
1 Total High Quality Liquid Assets (HQLA)	9,146.89	9,146.89	6,763.44	6,763.44	10,510.99	10,510.99	10,856.65	10,856.65
Cash Outflows								
2 Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding	501.79	577.06	243.18	279.66	513.02	589.98	210.39	241.94
4 Secured wholesale	936.26	1,076.69	1,309.55	1,505.98	1,435.25	1,650.54	5,175.41	5,951.72

High Quality Liquid Assets	Q1 (April-June 2020)		Q-2 (Jul-Sep 2020)		Q-3 (Oct-Dec 2020)		Q-4 (Jan-Mar 2021)	
	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)	Total Unweighted Value (average)	Total weighted Value (average)
funding								
5 Additional requirements, of which	-	-	-	-	-	-	-	-
(i) Outflows related to derivative exposures & other collateral requirements	498.82	573.65	293.15	337.13	316.44	363.90	323.00	371.45
(ii) Outflows related to loss of funding on debt products	–	–	–	–	–	–	–	–
(iii) Credit and liquidity facilities	–	–	–	–	–	–	–	–
6 Other contractual funding obligations	86.15	99.07	421.28	484.47	196.81	226.33	203.67	234.22
7 Other contingent funding obligations	–	–	–	–	–	–	–	–
8 TOTAL CASH OUTFLOWS	**2,023.02**	**2,326.47**	**2,267.16**	**2,607.24**	**2,461.52**	**2,830.75**	**5,912.47**	**6,799.33**
Cash Inflows	–	–	–	–	–	–	–	–
9 Secured lending	773.46	580.09	2,948.94	2,211.70	4,530.08	3,397.56	7,796.71	5,847.53
10 Inflows from fully performing exposures	–	–	–	–	–	–	–	–
11 Other cash inflows	–	–	–	–	–	–	–	–
12 TOTAL CASH INFLOWS	**773.46**	**580.09**	**2,948.94**	**2,211.70**	**4,530.08**	**3,397.56**	**7,796.71**	**5,847.53**
		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13 TOTAL HQLA		9,146.89		6,763.44		10,510.99		10,856.65
14 TOTAL NET CASH OUTFLOWS		1,746.38		651.81		707.69		1,699.83
15 LIQUIDITY COVERAGE RATIO (%)		524%		1038%		1485%		639%

N. Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020 pertaining to Resolution Framework for COVID-19-related Stress:

For the Half Year ended September 30, 2023

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position As on the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year.	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position As on the end of this half-year.
Personal Loans	-	-	-	-	-
Corporate persons	949.70	-	-	21.46	928.24
Of which, MSMEs	-	-	-	-	-
Others	949.70	-	-	21.46	928.24
Total	949.70	-	-	21.46	928.24

For the Half Year ended September 30, 2022

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position As on the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year.	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position As on the end of this half-year.
Personal Loans	-	-	-	-	-
Corporate persons	2,668.80	-	-	15.15	2653.65
Of which, MSMEs	-	-	-	-	-
Others	2,668.80	-	-	-	2653.65
Total	2,668.80	-	-	-	2653.65

As at March 31, 2023

(₹ in Million)

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons	2	2,668.80	-	-	266.88
Of which, MSMEs	-	-	-	-	-
Others	2	2,668.80	-	-	266.88
Total	2	**2,668.80**	-	-	**266.88**

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position As on the end of the previous Half-year (A)	Of (A), aggregate debt that slipped into NPA during the Half-year	Of (A) amount written off during the Half-year	Of (A) amount paid by the borrowers during the Half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position As on the end of this Half-year
Personal Loans	-	-	-	-	-
Corporate persons	2,653.65	-	-	1,703.95	949.70
Of which, MSMEs	-	-	-	-	-
Others	2,653.65	-	-	1,703.95	949.70
Total	**2,653.65**	-	-	**1,703.95**	**949.70**

As at March 31, 2022 **(₹ in Million)**

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons	2	2,668.80	-	-	266.88
Of which, MSMEs	-	-	-	-	-
Others	2	2,668.80	-	-	266.88
Total	**2**	**2,668.80**	**-**	**-**	**266.88**

(₹ in Million)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous Half-year (A)	Of (A), aggregate debt that slipped into NPA during the Half-year	Of (A) amount written off during the Half-year	Of (A) amount paid by the borrowers during the Half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this Half-year
Personal Loans	-	-	-	-	-
Corporate persons	2,668.80	-	-	-	2,668.80
Of which, MSMEs	-	-	-	-	-
Others	2,668.80	-	-	-	2,668.80
Total	**2,668.80**	-	-	-	**2,668.80**

As at March 31, 2021 **(₹ in Million)**

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons	1	980.00	-	-	980.00
Of which, MSMEs	-	-	-	-	-
Others	1	980.00	-	-	980.00
Total	**1**	**980.00**	**-**	**-**	**980.00**

(₹ in Million)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous Half-year (A)	Of (A), aggregate debt that slipped into NPA during the Half-year	Of (A) amount written off during the Half-year	Of (A) amount paid by the borrowers during the Half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this Half-year
Personal Loans	-	-	-	-	-
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-

O. The Balance Sheet Extract as per RBI Act, 1934 is given below.

(₹ in Million)

Particulars			For the Half Year ended September 30, 2023		For the Half Year ended September 30, 2022		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
Liabilities side			**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
1	**Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**											
	(a)	Debentures: Secured	68,454.79		71,557.25	-	70,250.83		73,486.20		73,485.08	
		: Unsecured	57,776.86		47,253.71	-	47,681.72		28,063.13		26,969.42	
		(Other than falling within the meaning of public deposits)									-	
	(b)	Deferred Credits	-		-	-	-		-		131,731.12	
	(c)	Term loans	278,487.17		189,264.21	-	288,203.35		176,445.53		-	
	(d)	Inter-corporate loans and borrowing	-		-	-	-		-		-	
	(e)	Commercial paper	-		-	-	-		-		-	
	(f)	Public Deposits	-		-	-	-		-		-	
	(g)	Other Loans _Overdrafts	-		-	-	-		2,014.42		4,601.57	
	(h)	FCNR(B) Demand Loans			-	-	-	-	-	-	7,125.77	
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**									-		
	(a)	In the form of Unsecured debentures	-		N.A.	N.A.	-	-		-	-	-
	(b)	In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	-		N.A.	N.A.	-	-	-	-	-	-
	(c)	Other public deposits	-	-	N.A.	N.A.	-	-	-	-	-	-
Assets Side			Amount outstanding		Amount outstanding		Amount outstanding		Amount outstanding		Amount outstanding	
3	**Break up of Loans and Advances including bills receivables [other than those included in (4) below]:**											
	(a)	Secured	438,623.84		304,069.65		430,271.61		294,386.33		245,799.31	
	(b)	Unsecured	35,766.08		33,544.52		39,544.88		44,747.18		32,604.28	
4	**Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities**											

	(i)	Lease assets including lease rentals under sundry debtors						
		(a)	Financial lease	-	-	-	-	-
		(b)	Operating lease	-	-	-	-	-
	(ii)	Stock on hire including hire charges under sundry debtors:						
		(a)	Assets on hire	-	-	-	-	-
		(b)	Repossessed Assets	-	-	-	-	-
	(iii)	Other loans counting towards AFC activities						
		(a)	Loans where assets have been repossessed	-	-	-	-	-
		(b)	Loans other than (a) above	-	-	-	-	-
5	**Break up of investments**							
	<u>Current Investments</u>							
	1	Quoted						
		(i)	Shares					
			(a) Equity	-	-	-	-	-
			(b) Preference	-	-	-	-	-
		(ii)	Debentures and Bonds	-	-	-	-	-
		(iii)	Units of mutual funds	-	-	-	-	-
		(iv)	Government Securities	-	-	-	-	-
		(v)	Others (please specify)	-	-	-	-	-
	2	Unquoted						
		(i)	Shares					
			(a) Equity	-	-	-	-	-
			(b) Preference	-	-	-	-	-
		(ii)	Debentures and Bonds	-	-	-	-	-
		(iii)	Units of mutual funds	-	-	-	-	-
		(iv)	Government Securities	-	-	-	-	-
		(v)	Others (please specify)	-	-	-	-	-
		Short Term Deposits (INR)		111.47	33,511.40	420.66	440.13	-
		Commercial Papers (Impairment fully provided)		689.91	689.91	689.91	689.91	689.91
	<u>Long Term investments</u>							
	1. Quoted							
	(i)	Shares						
			(a) Equity	-	-	-	-	-
			(b) Preference	-	-	-	-	

	(ii)	Debentures and Bonds	-	-	-	-	
	(iii)	Units of mutual funds	-	-	-	-	
	(iv)	Government Securities	1,012.84	1,012.49	1,012.67	992.68	-
	(v)	Others (please specify)	-	-	-	-	-
	2. Unquoted						
	(i)	Shares					
		(a) Equity	-	-	-	-	1.20
		(b) Preference	-	-	-	-	-
	(ii)	Debentures and Bonds	-	-	-	-	-
	(iii)	Units of mutual funds	-	-	-	-	-
	(iv)	Government Securities	-	-	-	-	-
	(v)	Others (please specify)	-	-	-	-	-

Borrower group-wise classification of assets financed as in (3) and (4) above

Amount (Net of Provisions) **(₹ in Million)**

				For the Half Year ended September 30, 2023			For the Half Year ended September 30, 2022			As at March 31, 2023			As at March 31, 2022			As at March 31, 2021		
	Particulars			Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total
	1	Related Parties																
		(a)	Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		(b)	Companies in the same group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		(c)	Other related parties	1.66	-	1.66	3.14	-	3.14	2.08	-	2.08	4.00	–	4.00	1.20	-	1.20
	2	Other than related parties		431,361.10	35,766.08	467,127.18	295,869.84	33,544.52	329,414.37	422,722.27	39,544.88	462,267.15	286,993.30	44,747.18	331,740.48	236,450.96	32,604.28	269,055.24
	Total			**431,362.76**	**35,766.08**	**467,128.84**	**295,872.98**	**33,544.52**	**329,417.50**	**422,722.27**	**39,544.88**	**462,269.23**	**286,997.30**	**44,747.18**	**331,744.48**	**236,452.15**	**32,604.28**	**269,056.43**

7	**Investor group-wise classification of all investments (FY long term) in shares and securities (both quoted and unquoted):**										
	Category	**Market value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**	**Market value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**	**Market value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**	**Market value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**	**Market value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**

	1	Related Parties															
		(a)	Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		(b)	Companies in the same group	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		(c)	Other related parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	2	Other than related parties		1,061.47	1,124.31	34,523.89		34,523.89	1,364.74		1,433.32	2,122.72		1,432.81	N.A.		1.20
	Total			**1,061.47**	**1,124.31**	**34,523.89**		**34,523.89**	**1,364.74**		**1,433.32**	**2,122.72**		**1,432.81**	**N.A.**		**1.20**

8	Other Information							
	Particulars			**Amount (₹ in Million)**	**Amount (₹ in Million)**	**Amount (₹ in Million)**	**Amount (₹ in Million)**	**Amount (₹ in Million)**
	(i)	Gross Non-Performing Assets						
		(a)	Related Parties			-	-	-
		(b)	Other than related parties	14,860.81	17,087.67	15,133.54	17,682.55	24,415.53
	(ii)	Net Non-Performing Assets						
		(a)	Related Parties		-	-	-	-
		(b)	Other than related parties	7,710.76	8,957.41	7,680.24	10,353.90	15,102.24
	(iii)	Assets acquired in satisfaction of debt		-		-	-	-

P. There are no reportable cases of loans transferred/ acquired during the Half Year ended September 30, 2023 (previous period: Nil) required to be reported under Master Direction - Reserve Bank of India (Transfer of Loan Exposures") Directions, 2021 dated 24th September 2021.

63. Additional Disclosures pursuant to RBI Circular Number NBFCs RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022, pertaining to Scale Based Regulation (SBR): A Revised Regulatory Framework' for NBFCs

RBI has introduced additional disclosures for Scale Based Regulations w.e.f Annual Financial statements for March 31, 2023 and hence the information has been presented for FY 2022-23 and FY 2021-22 & information for the Half Year ended September 30, 2023 & September 30, 2022 and for FY 2020-21 is not applicable.

A. Exposure – Refer Note 61 (F)

B. Related Party Disclosure

(in ₹ Million)

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel@		Relatives of Key Management Personnel@		Others*		Total	
Items	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Borrowings	-	-	-	-	-	-	-	-	-	-	197.76	187.78	197.76	187.78
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	0.26	3.93	-	-	17,281.95	1,435.16	17,282.21	1,439.09
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	19.64	20.07	19.64	20.07
Interest received	-	-	-	-	-	-	0.75	0.42	-	-	399.86	105.11	400.61	105.53
Others	-	-	-	-	-	-	25.02	28.60	-	-	906.53	999.17	931.55	1,027.77

C) Disclosure of complaints - Refer Note 62 (I)

D) Corporate Governance – Refer Corporate Governance section of the Annual Report.

E) Breach of covenant

The company has not breached terms of covenants in respect of loans availed or debt securities issued by the company.

F) Divergence in Asset Classification and Provisioning- NIL*

*For the year ended March 31, 2023

Final Report of RBI for FY 2021-22 conducted during current FY is awaited.

Note: As per the report received on July 31, 2023 no material diversion have been observed by the RBI.

G) Disclosure on modified opinion, if any, expressed by auditors, its impact on various financial items and views of management on audit qualifications- NIL

H) Items of income and expenditure of exceptional nature – NIL

64. Cabinet Committee on Economic Affairs (CCEA) in its meeting dated 17.03.2023 approved listing of shares of IREDA on stock exchanges through an IPO by part sale of Government's stake in IREDA and to raise fresh equity share capital of IREDA in supersession of its earlier decision in its meeting dated 07.06.2017.

Consequent to the necessary approvals, IREDA has filed the Draft Red Herring Prospectus (DRHP) with SEBI on 8th September 2023, for the purpose of IPO to issue fresh equity shares to the tune of 15% of its post issue capital along with divestment of GoI shareholding, out of its present shareholding, to the extent of 10% (post-issue) capital of the company by Offer for Sale.

Further, IREDA had also filed the DRHP with the stock exchanges i.e., National Stock Exchange of India Limited and BSE Limited for in principle approval. In principle approvals has been received from the Stock exchanges. Initial observations have been received from SEBI and replied by the company.

65. Disclosure on Loans to Directors, Senior Officers, and relatives of Directors pursuant to RB I/2022-23/29DOR.CRE.REC.No.25/ 03.10.001/ 2022-23 Dated April 19, 2022.

Particulars	For the year ended March 31,2023	For the year ended March 31,2022	For the year ended March 31,2021
Directors and their relatives*	-	-	-
Entities associated with directors and their relatives	-	-	-
Senior Officers and their relatives	-	-	-

*Does not include Loans & Advances as per terms of employment of respective directors.

The figures are rounded off to the nearest Rupees (₹) in Million (except wherever specified). Figures for the Half Year ended September 30, 2023 & September 30, 2022 and year ended March 31, 2023; March 31, 2022 & March 31, 2021 have been re-arranged/re-Grouped wherever considered necessary to make them comparable with the current period's figures.

As per our report of even date

For D S P & Associates
Chartered Accountants
ICAI Regn. No. 006791N

For and on Behalf of the Board of Directors

CA. Atul Jain
Partner
Membership No. 091431
Place: New Delhi

Date: October 25 ,2023

Bijay.Kumar Mohanty
Director (Finance)
DIN No. 08816532

Pradip Kumar Das
Chairman & Managing Director
DIN No. 07448576

Ekta Madan
Company Secretary & Compliance Officer
Membership No. 23391

Indian Renewable Energy Development Agency Limited **Annexure 1**
(A Government of India Enterprise)

Statement of Dividend declared by the Company **(₹ in Millions)**

Particulars	For Half Year Ended September 30, 2023	For Half Year Ended September 30, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Equity share Face value per equity share (in ₹)	10.00	10.00	10.00	10.00	10.00
Interim Dividend	-	-	-	-	-
Dividend Distribution Tax on Interim dividend	-	-	-	-	-
Final Dividend	-	-	-	-	-
Dividend Distribution Tax on Final dividend	-	-	-	-	-
Total Dividend paid for the period (A)	-	-	-	-	-
Total Dividend Distribution Tax Paid (B)	-	-	-	-	-
Total (A+B)	-	-	-	-	-
Net Profit After Tax (PAT) and before OCI Item	5,793.15	4,102.66	8,646.28	6,335.28	3,463.81
Dividend Payout Ratio (A/PAT)	0.00%	0.00%	0.00%	0.00%	0.00%
Number of Shares (Nos.)	2284600000	2284600000	2284600000	788709589	784600000
Dividend per Share (in ₹)	-	-	-	-	-

Indian Renewable Energy Development Agency Limited **Annexure 2**
(A Government of India Enterprise)

Capitalisation Statement of the Company **(₹ in Millions)**

Particulars	Pre-Issue As at September 30, 2023	Post-Issue
Borrowings		
Debt Securities	1,15,426.98	
Borrowings (Other than Debt Securities)	2,76,581.22	
Subordinated Liabilities	6,493.73	
Total Borrowings	**3,98,501.93**	
Shareholders' funds		
Equity Share Captial*	22,846.00	
Other Equity (excluding Revaluation Reserve)*	42,960.12	
Total Shareholder's Funds	**65,806.12**	
Ratio: Total borrowings/Total equity	**6.06**	

Notes:-

(1) The above amounts have been derived from the restated standalone and consolidated financial statements of the company for the half year ended September 30, 2023.

(2) The corresoponding post offer capitalisation data for each of the above amounts given in the table is not determinable at this stage pending the completion of book building process. Hence, the same have not been provided in the above statements.

**These terms carry the same meaning as per Schedule-III of the Companies Act, 2013.*

Indian Renewable Energy Development Agency Limited **Annexure 3**
(A Government of India Enterprise)

Statement of Accounting Ratios

Particulars	For Half Year Ended September 30, 2023	For Half Year Ended September 30, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31 ,2021
(A)Profit attributable to the owners of the company (₹ in Millions)	5,793.15	4,102.66	8,646.28	6,335.28	3,463.81
Weighted average number of equity shares outstanding during the year					
(B) For Basic earnings per share (Nos.)	2284600000	2284600000	2284600000	788709589	784600000
(C) For Diluted earnings per share (Nos.)	2284600000	2284600000	2284600000	788709589	784600000
(D) Number of Equity Shares outstanding at the end of the period	2284600000	2284600000	2284600000	2284600000	784600000
Earning Per Share (₹)					
-Basic (A/B) (₹)*	2.54	1.80	3.78	8.03	4.41
-Diluted (A/C) (₹)*	2.54	1.80	3.78	8.03	4.41
(E) Net Worth (₹ in Millions)	65,806.12	56,383.12	59,351.69	52,681.13	29,956.00
Return on Net Worth% (A/E)	8.80%	7.28%	14.57%	12.03%	11.56%
Net asset value per equity share (₹) (D/E)	28.80	24.68	25.98	23.06	38.18
Earning before interest, tax depreciation and amortisation (EBITDA) (₹ in Millions)	23,120.31	15,021.34	31,507.96	23,297.75	20,313.92

*Earning per Equity Share not annaualised for the half year ended September 30, 2023.

Notes:
1. The amounts disclosed above are based on the restated financial information of the company
2. The ratios have been computed as below:
a) Net Worth (₹) = Equity Share Capital + Other equity
b) Return on Net Worth (%) = Profit after Tax but before OCI / Net Worth X 100
c) Net Asset Value per Share (₹) = Net Worth / Number of Shares.
d) Basic earnings per share = Net profit after tax but before OCI attributable to equity shareholders / weighted average number of shares outstanding during the year
e) Diluted earnings per share = Net profit afteer tax but before OCI attributable to equity shareholders / weighted average number of diluted shares outstanding during the year

Indian Renewable Energy Development Agency Limited **Annexure 4**
(A Government of India Enterprise)

Statement of Tax Shelter Computation for IPO **(₹ in Millions)**

Particulars	For half year ended September 30, 2023	For half year ended September 30, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021
Net profit before tax but after OCI Items	6,048.70	3,718.43	10,874.83	7,298.80	2,398.19
Tax Rate on Income (C)	25.17%	25.17%	25.17%	25.17%	25.17%
Tax at Normal Rate (D)	1,522.34	935.86	2,736.98	1,836.96	603.58
Adjustment					
Permanent Difference					
Provision for CSR	44.98	9.81	69.74	95.06	164.16
Unallowable Expenses	-	-	-	0.75	
Business Promotion exp including Donation	-	-	-	-	(75.00)
IPO Expenses	4.72	-			
Disallowance u/s 14A	-	-	-	-	-
Deduction U/Section 32AC & 35 of IT Act	-	-	-	-	-
Deduction U/s 24	-	-	-	-	(0.17)
Profit on Sale of Associate	-	-	-	(1.20)	-
Deduction U/Section 36(1)(viii)	(1,129.24)	(465.04)	(1,555.48)	(1,729.60)	(1,111.95)
Sub Total (A)	**(1,079.53)**	**(455.22)**	**(1,485.73)**	**(1,634.99)**	**(1,022.96)**
Timing Difference					
Depreciation (including Profit & Loss on sale of assets)	26.89	59.88	134.70	68.71	(10.85)
Deferred Incomes	48.07	134.93	771.11	296.78	173.23
Cost of Bonds	(5.42)	4.15	(0.46)	12.97	5.26
FCTMR	2,266.90	1,427.66	(1,588.34)	2,171.97	3,746.95
Impact U/s 43B and others	62.45	35.79	158.07	877.13	10.51
IND AS adjustment	0.52	0.71	1.30	(7.47)	(5.19)
OCI	3.01	(2.36)	15.54	7.29	14.10
Impairment of Assets Net	(1,455.14)	(558.27)	188.45	1,798.98	2,976.41
Sub Total (B)	**947.27**	**1,102.49**	**(319.63)**	**5,226.36**	**6,910.42**
Net Adjustment (A+B)	(132.27)	647.27	(1,805.36)	3,591.37	5,887.46
Tax Additional/(Saving) (A+B)*C = E	(33.29)	162.90	(454.37)	903.88	1,481.76
Additional Tax Provision (F)	2.15	1.24	122.75	9.16	4.66
Actual Tax Paid/provision as per restated financial (D+E+F)	1,491.20	1,100.00	2,405.35	2,750.00	2,090.00

Note :
a) The above tax shelter is prepared on the basis of original Financial Accounts.
b) Additional Tax Provision is the amount of tax provided to meet exigencies/rounding off.

Statement of reconciliation of Audited Financial Statements to Restated Financial Statements
Summary of Statement of Impact

(a) Impact on Restated Standalone and Consolidated Net Profit after Tax:

(₹ in Millions)

Particulars		For half year ended September 30, 2023	For half year ended September 30, 2022	Year Ended March 31, 2023 (Standalone)	Year Ended March 31, 2022 (Standalone)	Year Ended March 31, 2021 (Consolidated)
Net profit after tax as per audited standalone and consolidated Statement of Profit and Loss	A	5,793.15	4,102.66	8,646.28	6,335.28	3,463.81
Restatement adjustments		-	-	-	-	-
Total impact of restatement adjustments	B	-	-	-	-	-
Net profit after tax as per Restated standalone and consolidated Statement of Profit and Loss	(A+B)	5,793.15	4,102.66	8,646.28	6,335.28	3,463.81

(b) Impact on Restated Standalone and Consolidated Total Comprehensive Income ('TCI')

(₹ in Millions)

Particulars		For half year ended September 30, 2023	For half year ended September 30, 2022	Year Ended March 31, 2023 (Standalone)	Year Ended March 31, 2022 (Standalone)	Year Ended March 31, 2021 (Consolidated)
Total comprehensive income as per audited consolidated and standalone Statement of Profit and Loss	A	4,187.53	2,274.34	8,258.90	5,557.31	991.46
Restatement adjustments		-	-	-	-	-
Total impact of restatement adjustments	B	-	-	-	-	-
Total comprehensive income as per Restated standalone and consolidated Statement of Profit and Loss	(A+B)	4,187.53	2,274.34	8,258.90	5,557.31	991.46

(c) Impact on Total Equity **(₹ in Millions)**

Particulars		For half year ended September 30, 2023	For half year ended September 30, 2022	Year Ended March 31, 2023 (Standalone)	Year Ended March 31, 2022 (Standalone)	Year Ended March 31, 2021 (Consolidated)
Total equity as per audited standalone and consolidated balance sheet	A	65,806.12	56,383.14	59,351.69	52,681.13	29,956.00
Restatement adjustments		-	-	-	-	-
Total impact of restatement adjustments	B	-	-	-	-	-
Total Equity as per Restated standalone and consolidated Statement of Profit and Loss	(A+B)	65,806.12	56,383.14	59,351.69	52,681.13	29,956.00

(d) Note:

Appropriate regroupings have been made in the Restated Consolidated and Standalone Financial Information wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to align them with the accounting policies and classification as per the Standalone Financial Statments of the Company for the quarter ended 30th June 2023 prepared in accordance with the Act, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'SEBI ICDR Regulations') and the Guidance Note on Reports in Company Prospectuses (Revised 2019) as issued by the Institute of Chartered Accountants of India.

<u>Annexure 6</u>

SIGNIFICANT OBSERVATIONS REPORTED IN REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS SECTION OF AUDIT REPORTS FOR THE PERIOD OF SIX MONTHS ENDED 30th SEPTEMBER 2023 & 30TH SEPTEMBER 2022 AND FOR EACH OF THE FINANCIAL YEARS ENDED 31ST MARCH 2023, 31ST MARCH 2022 AND 31ST MARCH 2021 .

The relevant financial statements and auditor's report thereon are available in the website of the company at link - https://www.ireda.in/annual-reports . The Amount wherever given, has been expressed in Rupees in Millions. The observations are in respect of:

i. Observations as per the Companies (Auditor's Report) Order, 2020 (CARO 2020) for the years ended 31st March 2023 & 31st March 2022 and Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended 31st March 2021 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act.

ii. Information in respect of the directions issued by the Comptroller and Auditor -General of India and

iii. Observations in respect of adequacy of Internal Financial Controls over Financial Reporting and operative effectiveness of such controls

A. Auditor's Report for the period of six months ended 30th September 2023 - Not Applicable

B. Auditor's Report for the period of six months ended 30th September 2022 - Not Applicable

C. <u>Auditor's Report for the year ending March 31, 2023</u>

i. <u>Observations as per the Companies (Auditor's Report) Order, 2020 (CARO 2020) issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (Annexure A to Auditor's Report)</u>

a. (i) (c) According to the information and explanations given to us, the records examined by us and based on the Title deeds provided to us, we report that, the title deeds of all the immovable properties, (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company except as stated below:-

Sr. no.	Description of property {Nature}	Gross carrying value (*Rs. In Millions*)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
1	Office premises- India Habitat Centre Complex (IHC) {Right of use Assets}	17.23	Occupied on basis of Allotment letter by IHC	No	Allotment letter dt. 12.04.1993	The execution of Tripartite Conveyance Deed / Agreement by India Habitat Centre (IHC) [between Land & Development Office (L&DO) , IHC and allottee institutions] is pending in respect of all allottee

						institutions at IHC including IREDA. IHC is following with L&DO for execution of lease deed. Draft of lease deed has been cleared by L&DO.
2	Office Premises at August Kranti Bhawan (AKB) {Right of use Assets}	211.01	Occupied on the basis of perpetual lease deed by HUDCO	No.	Allotment letter dt. 04.12.2006	The transfer of property rights is being followed with Housing Urban Development Corporation Limited (HUDCO).
3.	Residential flat at Jangpura Delhi (held as Investment Property)	0.88	Occupied on the basis of Agreement to sell by HPL	No	23.06.1994	The transfer of property is being followed by Hindustan Prefab Limited (HPL) with L&DO. Thereafter, the execution of Deed will take place.

b. (iii)(c) Based on audit procedures performed by us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments are generally regular except in cases identified as Stage 2 & Stage 3 and certain cases disclosed as Stage 1 but not disclosed as Non-Performing Assets (NPA) in view of orders of the court [Refer Note 38(58)(L) & 38(42) respectively to Financial Statements];

(d) Based on the audit procedures performed by us and as disclosed in Note 38 (58)(L) of financial statements, the total amount overdue for more than ninety days is Rs. 1513.35 millions. In our opinion, the steps taken by the company being an NBFC, for recovery of the principal and interest are generally in accordance with policies framed by it and are reasonable;

c. (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of business of the company to which the said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

d. (vii) (a) According to the information and explanations given to us, during the year, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of above statutory dues in arrear as at the year-end for a period of more than six months from the date they become payable;

(b) According to the information and explanations given to us, the details of above mentioned statutory dues which have not been deposited on account of any dispute, as at year end are as follows :

Name of statute	Nature of taxes	Amount in dispute (*Rs in Millions*)	For Financial Year	Amount Deposited+ *(Rs in Millions)*	Forum at which matter is pending
Income Tax Act 1961	Income Tax	134.42	2009-10	134.42	CIT (Appeals)
Income Tax Act 1961	Income Tax	149.65	2010-11	149.65	CIT (Appeals)
Income Tax Act 1961	Income Tax	151.95	2011-12	151.95	CIT (Appeals)

Income Tax Act 1961	Income Tax	221.66	2012-13	221.66	CIT (Appeals)
Income Tax Act 1961	Income Tax	154.71	2013-14	154.71	CIT (Appeals)
Income Tax Act 1961	Income Tax	231.10	2014-15	231.10	CIT (Appeals)
Income Tax Act 1961	Income Tax	276.12	2015-16	190.45	CIT (Appeals)
Income Tax Act 1961	Income Tax	533.72	2016-17	113.45	CIT (Appeals)
Income Tax Act 1961	Penalty	0.01	2016-17	-	CIT (Appeals)
Income Tax Act 1961	Income Tax	267.88	2017-18	267.88	CIT (Appeals)
Income Tax Act 1961	Income Tax	115.42	2019-20	9.19	CIT (Appeals)
Income Tax Act 1961	Income Tax	141.02	2020-21	7.26	CIT (Appeals)
Finance Act (FA)1994, FA 2004, FA 2015	Service Tax & penalty	1170.91	2012-13 to 2015 -16	78.64	CESTAT, New Delhi
Finance Act (FA)1994, FA 2004, FA 2015	Service Tax & penalty	414.58	2016-17 & 2017-18	33.83	CESTAT, Mumbai
CGST Act 2017 & Delhi Goods & Service Tax Act ,2017	GST & penalty	305.07	2017-18 & 2018-19	19.72	Appeal to file within statutory period
The Companies Act,2013	Penalty	0.26	2021-22 & 2022-23	-	Appeal filed with Regional Director (NR), Delhi

+ Deposited under protest / prepaid taxes

e. (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on facts upto the date of our audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due;

f. (xx) (a) Based on our audit procedures and as per the information and explanations given to us by the management, in respect of other than ongoing projects, the company is not required to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;

(b) Based on our audit procedures and as per the information and explanations given to us by the management, amount remaining unspent pursuant to any ongoing project amounting to Rs 27.60 Millions is to be transferred to a special account in compliance of the provisions of sub-section (6) of section 135 of the Companies Act,2013 [Refer note No. 38(27) to financial statements]

g. (xxi) The company is not required to prepare consolidated financial statements under section 129(3) of the Companies Act, 2013. Accordingly, clause 3(xxi) of the Order is not applicable.

ii Information in respect of the directions issued by the Comptroller and Auditor -General of India (Annexure B to Auditor's Report)

1. Whether the Company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT System on the integrity of accounts along with the financial implications, if any, may be stated.

Answer:

According to the information and explanations given to us and based on our audit, all accounting transactions are routed through IT system implemented by the Company except accounting of certain specified category of borrower Accounts (less than 1% of total advances). Period end Financial Statements are compiled offline based on balances and transactions generated from the IT system. We have neither been informed nor have we come across during the course of our audit any accounting transactions having impact on the integrity of the accounts along with the financial implications which have been processed outside the IT system. However, it is preferable to modify the system so that such transactions are also processed through the IT system based on standard instructions so that chances of misreporting are mitigated.

iii. Observations in respect of adequacy of Internal Financial Controls over Financial Reporting and operative effectiveness of such controls (Annexure C to Auditor's Report)

Opinion

In our opinion, in addition to the matters stated hereunder , the Company needs to strengthen, in all material respect, its internal financial controls system over financial reporting as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India :

a) Delegation of authority at various levels to be reviewed.
b) Information technology system for maintenance of Ind AS accounting records to be updated.
c) Preparation of IT enabled process in respect of income under miscellaneous heads is in progress.

D. Auditor's Report for the year ending March 31, 2022

i. Observations as per the Companies (Auditor's Report) Order, 2020 (CARO 2020) issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (Annexure A to Auditor's Report)

a. (i) (c) According to the information and explanations given to us, the records examined by us and based on the Title deeds provided to us, we report that, the title deeds of all the immovable properties, (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company except as stated below:-

Sr. no.	Description of property {Nature}	Gross carrying value (Rs. In Millions)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company
1	Office premises-India Habitat	17.23	-	No	Allotment letter dt. 12.04.1993	The execution of Conveyance Deed / Agreement by developer IHC [between Land &

	Centre Complex (IHC) { Right of use Assets}					Development Office (L&DO), IHC and allottee institutions] is pending for all allottee institutions at IHC including IREDA.
2	Office Premises at August Kranti Bhawan(AKB) { Right of use Assets}	211.01	-	No.	Allotment letter dt. 04.12.2006	The transfer of property rights /Lease Deed is being followed with developer of AKB, Housing Urban Development Corporation Ltd. (HUDCO).
3.	Residential flat at Jangpura Delhi (held as Investment Property)	0.88	-	No	23.06.1994	The transfer of property / Lease deed is being followed by seller Hindustan Prefab Ltd. (HPL) with L&DO.

b. (iii) (c) Based on audit procedures performed by us, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and the repayments are generally regular except in cases identified as Stage 2 & Stage 3 and certain cases disclosed as Stage 1 but not disclosed as Non-Performing Assets (NPA) in view of orders of the court [Refer Note 38(58)(L) & 38(42) respectively to Financial Statements]);

(d) Based on the audit procedures performed by us and as disclosed in Note 38 (58)(L) of financial statements, the total amount overdue for more than ninety days is Rs.17682.55 Millions. In our opinion, the steps taken by the company being an NBFC, for recovery of the principal and interest are generally in accordance with policies framed by it and are reasonable;

c. (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Act in respect of business of the company to which the said rules are made applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the said records with a view to determine whether they are accurate or complete.

d.(vii) (a) According to the information and explanations given to us, during the year, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax , Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of above statutory dues in arrear as at the year-end for a period of more than six months from the date they become payable;

(b) According to the information and explanations given to us, the details of abovementioned statutory dues which have not been deposited on account of any dispute, as at year end are as follows:

Name of statute	Nature of taxes	Amount in dispute (Rs in Millions)	For Financial Year	Amount Deposited+(Rs in Millions)	Forum at which matter is pending
Income Tax Act 1961	Income Tax	134.42	2009-10	134.42	CIT (Appeals)
Income Tax Act 1961	Income Tax	149.65	2010-11	149.65	CIT (Appeals)
Income Tax Act 1961	Income Tax	151.95	2011-12	151.95	CIT (Appeals)
Income Tax Act 1961	Income Tax	221.66	2012-13	221.66	CIT (Appeals)
Income Tax Act 1961	Income Tax	154.71	2013-14	154.71	CIT (Appeals)

Income Tax Act 1961	Income Tax	231.10	2014-15	231.10	CIT (Appeals)
Income Tax Act 1961	Income Tax	276.12	2015-16	190.45	CIT (Appeals)
Income Tax Act 1961	Income Tax	533.72	2016-17	113.45	CIT (Appeals)
Income Tax Act 1961	Penalty	0.01	2016-17	-	CIT (Appeals)
Income Tax Act 1961	Income Tax	267.88	2017-18	267.88	CIT (Appeals)
Income Tax Act 1961	Income Tax	2220.19	2019-20	-	Pr CIT
Finance Act (FA)1994 ,FA 2004, FA 2015	Service Tax & penalty	1170.91	2012-13 to 2015 -16	-	Appeal to file within statutory period
Finance Act 1994	Service Tax & penalty	414.58	2016-17 & 2017-18	23.29	

+ Deposited under protest / prepaid taxes

e. (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

f. (xxi) The company is not required to prepare consolidated financial statements under section 129(3) of the Companies Act, 2013. Accordingly paragraph 3(xxi) is not applicable.

ii - <u>Information in respect of the directions issued by the Comptroller and Auditor -General of India (Annexure B to Auditor's Report)</u> NIL

iii. <u>Observations in respect of adequacy of Internal Financial Controls over Financial Reporting and operative effectiveness of such controls (Annexure C to Auditor's Report)</u>

<u>Opinion</u>

In our opinion, in addition to the matters stated hereunder , the Company needs to strengthen, in all material respect, its internal financial controls system over financial reporting as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India :

a) Delegation of authority at various levels to be reviewed.
b) Information technology system for maintenance of Ind AS accounting records to be updated.
c) Preparation of IT enabled process in respect of income under miscellaneous heads is in progress.

E. Auditor's Report for the year ending March 31, 2021

i. <u>Observations as per the Companies (Auditor's Report) Order, 2016 (CARO 2016) issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (Annexure A to Auditor's Report)</u>

a.i.(c) According to the information and explanations given to us, the records examined by us and based on the Title/ Lease deeds provided to us, we report that, the title/ Lease deeds, comprising all the freehold/ leasehold immovable properties of land and building, are held in the name of the Company as on the balance sheet date except for the following where properties have been allotted to the company by the authorities , but the title/lease deeds are yet to be executed in favour of the Company :

Nature of Asset	Area (Sq. Meters)	No. of Properties	Gross Block 31.3.21 (Rs in Millions)	Net Block 31.3.21 (Rs in Millions)
Leasehold Building (under Right to Use)	2546.17	2	228.24	144.02
Building Residential – (Investment Property)	170.4	1	0.88	0.43

vii) a). According to the information and explanations given to us, during the year, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Goods and Service Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues as applicable to it.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrear as at March 31, 2021 for a period of more than six months from the date they become payable.

b). According to the information and explanations given to us, the details of disputed dues of income tax, sales tax, service tax, customs duty, excise duty and Value added Tax, if any, as at March 31, 2021 are as follows:

Name of statute	Nature of taxes	Amount in dispute (*Rs in Millions*)	Financial Year concerned	Amount Deposited+ *(Rs in Millions*	Forum at which matter is pending
Income Tax Act 1961	Income Tax	134.42	2009-10	134.42	CIT (Appeals)
Income Tax Act 1961	Income Tax	149.65	2010-11	149.65	CIT (Appeals)
Income Tax Act 1961	Income Tax	151.95	2011-12	151.95	CIT (Appeals)
Income Tax Act 1961	Income Tax	221.66	2012-13	221.66	CIT (Appeals)
Income Tax Act 1961	Income Tax	154.71	2013-14	154.71	CIT (Appeals)
Income Tax Act 1961	Income Tax	231.10	2014-15	231.10	CIT (Appeals)
Income Tax Act 1961	Income Tax	276.12	2015-16	21.42	CIT (Appeals)
Income Tax Act 1961	Income Tax	533.72	2016-17	105.19	CIT (Appeals)
Income Tax Act 1961	Income Tax	267.88	2017-18	23.90++	CIT (Appeals)

\+ Deposited under protest / prepaid taxes
++ Deposited after 31st March 2021

ii <u>Information in respect of the directions issued by the Comptroller and Auditor - General of India (Annexure B)</u>
NIL

iii. <u>Observations in respect of adequacy of Internal Financial Controls over Financial Reporting and operative effectiveness of such controls (Annexure C)</u>

<u>Opinion</u>

In our opinion, in addition to the matters stated hereunder , the Company needs to strengthen, in all material respect, its internal financial controls system over financial reporting as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India

a) Delegation of authority at various levels to be reviewed.

b) Information technology system for maintenance of Ind AS accounting records to be updated.

c) Preparation of IT enabled process in respect of income under miscellaneous heads is in progress.

OTHER FINANCIAL INFORMATION

The audited standalone financial statements of our Company for the six months ended September 30, 2023 and September 30, 2022, and for the financial years ended March 31, 2023 and March 31, 2022 and consolidated financial statements for the financial year ended March 31, 2021, respectively ("**Audited Financial Statements**") are available on our website https://www.ireda.in/home. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute a part of, (i) the Red Herring Prospectus; or (ii) this Prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor any of the Book Running Lead Managers or the Promoter Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

Accounting Ratios

Set forth below are the details of accounting ratios required under the SEBI ICDR Regulations, calculated on the basis of the Restated Financial Information:

PARTICULARS	As at and for the six months ended September 30, 2023 (Standalone)	As at and for the six months ended September 30, 2022 (Standalone)	As at and for the Financial Year ended March 31, 2023 (Standalone)	As at and for the Financial Year ended March 31, 2022 (Standalone)	As at and for the Financial Year ended March 31, 2021 (Consolidated)
Net worth (in ₹ million)#	65,806.12	56,383.12	59,351.69	52,681.13	29,956.00
Profit attributable to owners of the Company (in ₹ million)	5,793.15	4,102.66	8,646.28	6,335.28	3,463.81
Weighted average no. of equity shares outstanding during the year					
- For basic earnings per equity share	2,284,600,000	2,284,600,000	2,284,600,000	788,709,589	784,600,000
- For diluted earnings per equity share	2,284,600,000	2,284,600,000	2,284,600,000	788,709,589	784,600,000
Basic and diluted earnings per share (₹/ share)					
- Restated basic earnings per share (in ₹)(1)	2.54*	1.80*	3.78	8.03	4.41
- Restated diluted earnings per share (in ₹)	2.54*	1.80*	3.78	8.03	4.41
Return on average net worth (in %)(2)	9.26	7.52	15.44	15.33	12.56
Net asset value per equity share (basic) (in ₹)(3)	28.80	24.68	25.98	23.06	38.18
EBITDA(4)	23,120.31	15,021.34	31,507.96	23,297.75	20,313.92

** Not annualised*

Notes:

The ratios have been computed as under:

(1) *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
- *Basic EPS-Profit after tax for the period divided by weighted average number of Equity shares at the end of the period.*
- *Diluted EPS-Profit after tax for the period divided by weighted average number of Equity shares including potential number of Equity Shares at the period end.*

(2) *Return on average net worth ratio (%): Profit/ (loss) for the period attributable to owners of the Company divided by average net worth as attributable to owners of the Company at the end of the period.*

(3) *Net asset value per Equity Share (₹): Net worth as attributable to owners of the Company at the end of the period divided by number of equity shares outstanding at the end of the period.*

(4) *EBIDTA is calculated as the sum of (i) Profit before tax for the year, (ii) depreciation and amortization expenses (iii) interest cost.*

 # Net worth is derived as below:

(in ₹ million)

Particulars	***As at September 30, 2023 (Standalone)***	***As at September 30, 2022 (Standalone)***	***As at March 31, 2023 (Standalone)***	***As at March 31, 2022 (Standalone)***	***As at March 31, 2021 (Consolidated)***
Equity share capital (A)	22,846.00	22,846.00	*22,846.00*	*22,846.00*	*7,846.00*
Other Equity (B)	*42,960.12*	*33,537.12*	*36,505.69*	*29,835.13*	*22,110.00*
Net worth (C) = (A) + (B)	65,806.12	56,383.12	*59,351.69*	*52,681.13*	*29,956.00*

RELATED PARTY TRANSACTIONS

For further details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Transactions' read with SEBI ICDR Regulations for the six months ended September 30, 2023 and September 30, 2022, and for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021 as reported in the Restated Financial Information, see "*Restated Financial Information – Note 38(10) – Related Party disclosures*" on page 407. For a summary of the related party transactions for the six months ended September 30, 2023 and September 30, 2022, and for the Financial Years ended March 31, 2023, March 31, 2022, and March 31, 2021, see "*Summary of the Offer Document – Summary of Related Party Transactions*" on page 25.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information should be read in conjunction with our "Restated Financial Information" on page 321. Our Restated Financial Information as of, and for the years ended, March 31, 2021, 2022, 2023 and for the six months ended September 30, 2022 and September 30, 2023 have been prepared and presented in accordance with Ind AS. Ind AS differs in certain significant respects from IFRS, U.S. GAAP and other accounting principles with which prospective investors may be familiar in other countries. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

This Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Prospectus. For further information, see "Forward-Looking Statements" and "Risk Factors" on pages 19 and 34, respectively. The restated consolidated financial information for Fiscal 2021 is not directly comparable with the restated standalone financial information for Fiscals 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 since we did not have an associate in such subsequent periods. Our holding in our associate, which was terminated on March 26, 2022, amounted to 0.002% of our total assets as of March 31, 2021. Unless otherwise indicated or the context otherwise requires, the Restated Financial Information included in this Prospectus for Fiscals 2022, 2023 and for the six months ended September 30, 2022 and September 30, 2023 is derived from our restated standalone financial information, and the financial information for Fiscal 2021 is derived from our restated consolidated financial information. For further information, see "Restated Financial Information" on page 321. Unless the context otherwise requires, and in connection with Fiscal 2021, in this section, references to "we", "us", "our", "the Company", or "our Company" refer to Indian Renewable Energy Development Agency Limited on a standalone basis.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs" dated November 2023 (the "**CARE Report**") prepared and issued by CARE Advisory Research & Training Limited. The CARE Report has been prepared exclusively for the purpose of understanding the industry in connection with the Offer and is commissioned by our Company pursuant to mandate letter dated June 9, 2023, and paid for by the BRLMs in equal proportion. Unless otherwise indicated, financial, operational, industry and other related information derived from the CARE Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the CARE Report was available on the website of our Company at https://www.ireda.in/home, from the date of the Red Herring Prospectus till the Bid/Offer Closing Date. For more information, see "Risk Factors – Industry information included in this Prospectus has been derived from an industry report prepared CARE Advisory Research & Training Limited exclusively commissioned by us in connection with the Offer and paid for by the BRLMs for such purpose" on page 66. Also see, "Certain Conventions, Use of Financial Information, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 16.*

Overview

We are a wholly owned Government of India ("**GoI**") enterprise under the administrative control of the Ministry of New and Renewable Energy (the "**MNRE**"). Our Company was notified as a "Public Financial Institution" ("**PFI**") under Section 4A of the Companies Act, 1956 by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India on October 17, 1995 and is registered with the Reserve Bank of India (the "**RBI**") as a Systemically Important Non-Deposit-taking Non-Banking Finance Company (a "**NBFC-ND-SI**"), with Infrastructure Finance Company ("**IFC**") status. In September 2023, we have been upgraded from Schedule B to Schedule A in the list of CPSEs by the Department of Public Enterprises (**"DPE"**). We were also conferred with the Mini Ratna (Category I) status in June 2015 by the DPE. Since Fiscal 2021, we have consistently been rated 'Excellent' by the MNRE in course of evaluation of our performance in achieving key targets.

We are a financial institution with over 36 years of experience in the business of promoting, developing and extending financial assistance for new and renewable energy ("**RE**") projects, and energy efficiency and conservation ("**EEC**") projects. We provide a comprehensive range of financial products and related services, from project conceptualisation to post-commissioning, for RE projects and other value chain activities, such as equipment manufacturing and transmission.

As of September 30, 2023, we had a diversified portfolio of Term Loans Outstanding, amounting to ₹ 475,144.83 million, as set forth in "*Competitive Strengths – Track record of growth, geared towards high quality assets, diversified asset book and stable profitability*" on page 222. We have consistently demonstrated strong growth and business performance while maintaining healthy asset quality, evidenced by the following key highlights:

- Term Loans Outstanding of ₹ 278,539.21 million as of March 31, 2021, ₹ 339,306.06 million as of March 31, 2022, ₹ 470,755.21 million as of March 31, 2023, ₹ 337,833.59 million as of September 30, 2022 and ₹ 475,144.83 million as of September 30, 2023, reflecting a CAGR of 30.00% between Fiscal 2021 and Fiscal 2023;

- Loans sanctioned amounting to ₹ 110,013.05 million, ₹ 239,210.62 million, ₹ 325,866.06 million, ₹ 117,654.02 million and ₹ 47,445.03 million in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively;

- Loans disbursed amounting to ₹ 88,283.53 million, ₹ 160,708.22 million, ₹ 216,392.12 million, ₹ 40,063.06 million and ₹ 62,732.52 million in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively;

- Total income of ₹ 26,577.44 million, ₹ 28,741.55 million, ₹ 34,830.44 million, ₹ 15,777.50 million and ₹ 23,204.58 million for Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively, reflecting a CAGR of 14.48% between Fiscal 2021 and Fiscal 2023;

- Profit after tax of ₹ 3,463.81 million, ₹ 6,335.28 million, ₹ 8,646.28 million, ₹ 4,102.66 million and ₹ 5,793.15 million for Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively, reflecting a CAGR of 57.99% between Fiscal 2021 and Fiscal 2023; and

- Gross non-performing assets ("**NPAs**") as a percentage of Term Loans Outstanding reduced from 8.77% as of March 31, 2021 to 5.21% as of March 31, 2022, 5.06% as of September 30, 2022, 3.21% as of March 31, 2023, and further to 3.13% as of September 30, 2023. Our net NPAs as a percentage of Net Term Loans Outstanding reduced from 5.61% as of March 31, 2021 to 3.12% as of March 31, 2022, 2.72% as of September 30, 2022, 1.66% as of March 31, 2023 and further to 1.65% as of September 30, 2023.

We have financed projects across multiple RE sectors such as solar power, wind power, hydro power, transmission, biomass including bagasse and industrial co-generation, waste-to-energy, ethanol, compressed biogas, hybrid RE, EEC and green-mobility. We also offer financial products and schemes for new and emerging RE technologies such as, biofuel, green hydrogen and its derivatives, battery energy storage systems, fuel cells, and hybrid RE projects.

We offer a comprehensive suite of financial products and services including various fund-based and non fund-based products. Some of our key fund-based products for RE developers are long-term, medium-term and short-term loans (for projects, manufacturing and equipment financing), top-up loans, bridge loans, takeover financing, and loans against securitization of future cashflows. We also provide line of credit to other NBFCs for on-lending to RE and EEC projects. In addition, we provide loans to government entities and also provide financing schemes for RE suppliers, manufacturers and contractors.

Our non fund-based products include letter of comfort, letter of undertaking, payment on order instruments and guarantee assistance schemes. Further, we provide consulting services on techno-commercial issues relating to the RE sector.

We have been established as an integral part of, and have played a strategic role in the GoI's initiatives for the promotion and development of the RE sector in India. We are directly involved in implementing several significant schemes launched by the MNRE. We were the fund handling agency for the Credit Linked Capital Subsidy Scheme. Further, we have been designated as the Central Nodal Agency for the National Bioenergy Programme (Phase I) for the Scheme to Support Manufacturing of Briquettes and Pellets and Promotion of Biomass (non-bagasse) based co-generation in Industries and the Programme on Energy from Urban, Industrial, Agricultural

Waste/ Residues. We are also the implementing agency for the Central Public Sector Undertaking (Government Producer Scheme) (Phase 2 Tranche III), Generation Based Incentive Scheme as well as the Rooftop, PV and Small Solar Generation Programme and the National Programme on High Efficiency Solar PV Modules under the Production Linked Incentive Scheme (Tranche I).

In Fiscal 2023 and the six months ended September 30, 2023, our total loans sanctioned of ₹ 325,866.06 million and ₹ 47,445.03 million, respectively, included ₹ 276,869.79 million and ₹ 38,420.13 million of term loans for RE and EEC projects, ₹ 8,491.76 million and ₹ 2,800.00 million of short-term loans to RE developers and ₹ 1,520.00 million and ₹ 3,734.90 million of guaranteed loans and letter of comfort. In Fiscal 2023, our total loans sanctioned included ₹ 37,500.00 million loan facility to State Utilities and ₹ 984.50 million under the Guaranteed Emergency Credit Line. We have a geographically diversified portfolio, with Term Loans Outstanding across 23 States and five Union Territories across India, as of September 30, 2023.

We have a secured asset base, and 93.41% of our Term Loans Outstanding as of September 30, 2023, has security cover. We have been rated highly by credit rating agencies and as of the date of this Prospectus, India Ratings had rated our debt instruments AAA (Stable), ICRA has rated our Bonds ICRA AAA (Stable) and Acuite has rated our bank loans Acuite AAA Stable. For further information, see "– *Our Credit Ratings*" on page 251.

In addition to our financial products and services, we also have our own 50 MW Solar Photovoltaic Project at Kasaragod Solar Park in the State of Kerala. The project generates power which is injected into the grid of Kerala State Electricity Board. The project was fully commissioned in September 2017. In Fiscal 2021, 2022, 2023, and the six months ended September 30, 2022 and September 30, 2023 our 50 MW Solar Photovoltaic Project generated revenue of ₹ 274.17 million, ₹ 284.90 million, ₹ 269.04 million, ₹ 118.34 million and ₹ 139.80 million, respectively.

Our key financial and operational parameters as of, and or the years ended, March 31, 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, are set forth below.

Particulars	**As of / For the Year Ended March 31,**			**As of/ For the Six Months Ended September 30,**	
	2021	**2022**	**2023**	**2022***	**2023***
	₹ million, except percentages and ratios				
Total Income	26,577.44	28,741.55	34,830.44	15,777.50	23,204.58
Profit after tax	3,463.81	6,335.28	8,646.28	4,102.66	5,793.15
Net interest income(1)	9,922.15	11,280.44	13,237.65	6,237.53	7,854.23
Net worth	29,956.00	52,681.13	59,351.69	56,383.12	65,806.12
Term Loans Outstanding	278,539.21	339,306.06	470,755.21	337,833.59	475, 144.83
Term Loans Outstanding/ Average Term Loans Outstanding(2)	1.08	1.10	1.16	1.00	1.00
Total assets/ Average Term Loans Outstanding(2)	1.18	1.19	1.25	1.20	1.08
Total borrowings	240,000.04	276,130.72	401,652.80	302,303.63	398,501.93
Profitability ratios:					
Spread(3)	3.26%	2.81%	2.21%	1.43%	1.11%
Net interest margin(4)	3.93%	3.75%	3.32%	1.79%	1.68%
Total Debt to net worth (5)	8.01	5.24	6.77	5.36	6.06
Average yield on average interest earning assets(6)	10.44%	9.17%	8.63%	4.46%	4.96%
Average cost of borrowings(7)	7.15%	6.33%	6.23%	3.22%	3.82%
Cost to income ratio(8)	78.57%	70.99%	67.29%	60.95%	64.69%
ROA(9)	1.20%	1.89%	1.98%	1.06%	1.14%
ROE(10)	12.56%	15.33%	15.44%	7.52%	9.26%
Regulatory capital ratios:					
CRAR(11)	17.12%	21.22%	18.82%	23.55%	20.92%
Asset quality ratios:					
Provision coverage ratio(12)	38.14%	41.45%	49.25%	47.58%	48.11%
Gross NPAs (%)(13)	8.77%	5.21%	3.21%	5.06%	3.13%
Net NPAs (%)(14)	5.61%	3.12%	1.66%	2.72%	1.65%
EPS (basic)(15)	4.41	8.03	3.78	1.80	2.54
EPS (diluted)(16)	4.41	8.03	3.78	1.80	2.54

** Figures for the six months ended September 30, 2022 and September 30, 2023 have not been annualised.*
Notes:

(1) Net interest income = "NII" represents net interest income (comprising interest on term loans and investments) less interest expense (comprising interest on borrowings availed by us and net gain/loss on foreign exchange translation), for the period.
(2) Average Term Loans Outstanding is calculated as the mean of the opening and closing balance of our Term Loans Outstanding.
(3) Spread refers to difference between average yield on average interest earning assets and average cost on average interest-bearing liabilities, as a percentage.
(4) Net interest margin, or "NIM", represents net interest income divided by average interest earning assets, as a percentage.
(5) Total borrowings as at period end divided by net worth as at period end. Total borrowings includes debt securities, borrowings (other than debt securities) and subordinated liabilities as at period end.
(6) Average yield on average interest-earning assets is the ratio of interest income and income that is directly attributable to income on loans (such as loan application fees and front-end fees payable by the borrower prior to sanction/disbursement of the loan) on interest earning assets to average interest-earning assets for the year/ period.
(7) Interest expended during the period divided by average borrowings from all sources, as a percentage. For the purpose of computation of average cost of borrowings, finance cost is considered including gain or loss on foreign currency exchange rate fluctuation and other borrowing cost.
(8) Cost to income ratio refers to the total expenses for the period divided by the total income for the period, as a percentage.
(9) ROA or return on assets is calculated as profit after tax for the period, divided by the average total assets, as a percentage.
(10) ROE or return on equity is calculated as profit after tax for the period, divided by average shareholders' equity, as a percentage.
(11) Capital to risk (weighted assets) ratio, or capital adequacy ratio means the total of Tier-I and Tier-II capital divided by Credit Risk Weighted Assets, as a percentage.
(12) Provision coverage ratio reflects total provisions held on Gross NPAs, divided by Gross NPAs as at period end, as a percentage.
(13) Gross NPA (%) represents Gross Non-performing Term Loans divided by Term Loans Outstanding at the period end, as a percentage.
(14) Net NPA (%) represents Net Non-performing Term Loans divided by Net Term Loans Outstanding, as at the period end, as a percentage. Net Term Loans represent Term Loans Outstanding minus NPA Provisions, as at the period end.
(15) EPS (basic) has been calculated as profit after tax for the period divided by weighted average number of Equity Shares at the end of the period.
(16) EPS (diluted) has been calculated as profit after tax for the period divided by weighted average number of Equity Shares including potential number of Equity Shares at the period end.

Factors affecting our Results of Operations and Financial Condition

The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our liquidity, capital resources and results of operations.

Interest Rate Volatility

Our business is dependent on interest earned from our lending operations, which was ₹ 25,268.78 million, ₹ 26,996.91 million, ₹ 32,891.43 million, ₹ 15,140.20 million and ₹ 22,621.47 million and contributed 95.08%, 93.93%, 94.43%, 95.96% and 97.49% of our total income in Fiscal 2021, 2022, 2023, and in the six months ended September 30, 2022 and September 30, 2023, respectively. Our business also is affected by the interest rates at which we borrow from other banks and financial institutions (which are sometimes variable) or the rates at which we issue bonds. Our total finance cost (excluding exchange rate fluctuation gain or loss) for Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 was ₹ 15,702.62 million, ₹ 15,872.51 million, ₹ 20,884.38 million, ₹ 9,272.47 million and ₹ 15,568.97 million, respectively, and comprised 59.15%, 55.50%, 59.98%, 58.79% and 67.11% of our revenue from operations in the respective periods. Accordingly, we are affected by volatility in interest rates in our borrowing and lending operations.

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions and other factors. Furthermore, the rise in inflation and consequent fluctuation in interest rates, repo rates (the rates at which the RBI lends to commercial banks) and reverse repo rates (the rates at which the RBI borrows from commercial banks) has led to revision in the interest rates on loans provided by banks and financial institutions. Due to these factors, interest rates in India have experienced a relatively high degree of volatility. Further, our borrowings comprise of foreign currency loans which include both fixed rate and floating rate loans. As of September 30, 2023, 62.19% of our borrowings (including debt securities), respectively, were at fixed rates while the remaining were at floating rates (i.e., linked to the repo, SOFR, EURIBOR, LIBOR and other market benchmarks.). The floating rate loans are impacted by foreign exchange fluctuation and changes in the interest rate scenario in the international market, such as the impact on Secured Overnight Financing Rate ("**SOFR**") and Euro Interbank Offered Rate ("**EURIBOR**").

Our Net Interest Margins are determined by the cost of our funding relative to the pricing of our loan products. Our results of operations depend substantially on our Net Interest Income and our ability to maintain and improve our Net Interest Margin. Our Net Interest Margin was 3.93%, 3.75%, 3.32%, 1.79% and 1.68% (on an unannualized basis) in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, respectively.

The cost of our funding and the pricing of our loan products are determined by a number of factors, many of which are beyond our control. If we suffer a decline in net interest margins, we would be required to increase our lending rate in order to maintain our profitability. In case we are not able to do so we may suffer reduced profitability or losses if our net interest margins were to decrease, which may adversely affect our business, results of operations and financial condition.

Our domestic borrowings from bonds are on fixed interest rate basis and range in tenure from three to 20 years. Some domestic term loans from banks and financial institutions are availed on fixed rate basis for a tenure of up to three years. Most of our foreign currency borrowings from international financial institutions are also on fixed rate basis and range in tenure between 12 years to 40 years. Our borrowings on fixed rate basis amounted to 79.86%, 76.95%, 62.51%, 74.93% and 62.19% of our total borrowings as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023, respectively. Although our loan sanctions typically contain an interest reset clause, in the event such reset does not serve to benefit us, or set off, the extent of the interest rate fluctuation, or if we are not able to pass on the increased cost of borrowing to our own borrowers, our net interest income and net interest margin could be adversely impacted.

When interest rates decline, we may be subject to greater repricing and prepayment risks. During periods of low interest rates and high competition among lenders, borrowers may seek to reduce their borrowing costs by asking lenders to reprice loans. When assets are repriced, the spread on loans, which is the difference between the average yield on loans and the average cost of funds, could be affected. If we reprice loans, our financial results may be adversely affected in the period in which the repricing occurs. To the extent that our borrowers prepay loans, the return on our capital may be impaired as any prepayment premium we receive may not fully compensate us for the redeployment of such funds elsewhere. When interest rates increase, we may be unable to pass on such increase to the borrowers in full by increasing the corresponding lending interest rates and increase in the interest rate on reset may also result in the borrowers' prepayment of such loans. Such prepaid loan amounts may not be immediately redeployed by us which may result in loss of interest income.

Our results of operations are also dependent on other factors including factors that are indirectly related to the prevailing interest rate and lending environment, including disbursement and repayment schedules for our loans, the terms of such loans including interest rate reset terms. We review our lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, and business growth considerations. In addition, the value of any interest rate hedging instruments we may enter into may be affected by changes in interest rates and by changes in foreign exchange rates.

Availability of cost-effective funding sources and ability to raise capital

Our borrowings primarily include bonds and term loans obtained from various domestic banks (short term and long term) and multilateral and bilateral institutions. We have long-term relationships with various banks and financial institutions which provides ease of access to funding from such institutions. Our quality loan portfolio, stringent credit appraisal and risk management processes and stable credit history have resulted in improved credit status with our lenders over the years, thereby enabling us to reduce our cost of borrowings from banks and other financial institutions. Our credit status with our lenders is determined primarily by our NPAs. As of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023, our total borrowings were ₹ 240,000.04 million, ₹ 276,130.72 million, ₹ 401,652.80 million, ₹ 302,303.63 million and ₹ 398,501.93 million, respectively. Our finance costs are dependent on various external factors, including Indian and global credit markets and in particular, interest rate movements and adequate liquidity in the debt markets. Our ability to price our products depends on our cost of capital. Our average cost of funds raised in Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023, was 7.15%, 6.33%, 6.23%, 3.22% and 3.82%, respectively, which we believe is competitive but our ability to compete effectively will remain dependent on our timely access to, and the costs associated with raising capital and our ability to maintain a low, effective cost of funds in the future that is comparable or lower than that of our competitors.

As of September 30, 2023, our single largest long term funding source is State Bank of India, including its term loans I, III and IV, which account for ₹ 45,501.63 million, representing 11.42% of our total funding. The terms loans have varied tenors ranging up to 10 years. We are significantly dependent upon funding from the bond markets and commercial borrowings in the form of term loans and long-term borrowing facilities. We are particularly vulnerable in this regard given the growth of our business in recent years. The market for such funds is competitive and our ability to obtain funds on acceptable terms, or at all is subject to various factors beyond our control. Many of our competitors may have greater and cheaper sources of funding than we do. Further, many of our competitors may have larger resources or balance sheet strength than us and may have access to considerable financing resources. In addition, since we are a non-deposit taking NBFC, we may have restricted access to funds in comparison to banks and deposit taking NBFCs.

Our ability to borrow on acceptable terms and at competitive rates depends on various factors including, our credit ratings, our capital adequacy ratios, foreign exchange rates and volatility in interest and exchange rates, the regulatory environment, liquidity in the markets, policy initiatives in India, developments in the international markets affecting the Indian economy and the perception of investors, and our current and future results of operations and financial condition.

A major factor that determines interest rates on our borrowings is our credit ratings. Our external credit ratings assess our overall financial capacity to pay our obligations and are reflective of our ability to meet financial commitments as they become due. Rating agencies may reduce, or indicate their intention to reduce, the ratings at any time, which may in turn require us to avail of borrowings at higher rates of interest. In addition, due to our nature and tenure of the borrowings, it may not be possible for us to pre-pay the existing borrowings by incurring additional indebtedness without payment of penalty and interest. While we have generally been able to pass any increased cost of funds onto our customers, we may not be able to do so in the future. If our products are not competitively priced, there is a risk of our borrowers taking loans from other lenders. Accordingly, the unavailability of borrowings at commercially acceptable terms, or at all, may adversely affect our capacity to lend in the future and would therefore have an adverse effect on our results of operations and financial condition.

Regulation of Non-deposit taking NBFCs

We are an NBFC-ND-SI with IFC status and our results of operations and financial condition are, and will continue to be impacted by, the regulation of non-deposit taking NBFCs by the RBI. Any change in regulation of non-deposit taking NBFCs may have a significant impact on our revenues, expenses, profitability and financial parameters.

Being a non-banking financing company wholly-owned by the Government, until Fiscal 2018 we were exempt from prudential norms as prescribed by the RBI, and we made provisioning in terms of prudential norms as approved by our Board of Directors and the relevant ministry. In Fiscal 2019, the RBI withdrew the exemptions from their prudential norms which were previously available to all Government NBFC-ND-SI *vide* their circular, dated May 31, 2018. In addition, RBI circular dated May 31, 2018 provided new CRAR requirements for GoI-owned NBFCs, which was 13% by March 31, 2021 and 15% by March 31, 2022. Our CRAR was 17.12%, 21.22%, 18.82%, 23.55% and 20.92% as of March 31, 2021, 2022, 2023 and as of September 30, 2022 and September 30, 2023, respectively.

The RBI has not provided for any ceiling on interest rates that can be charged by non-deposit taking NBFCs. Accordingly, our interest rates are set by a designated committee as authorised by Board of Directors in accordance with market factors and RBI policy. Our financial performance and results of operations are affected significantly by changes in regulations by the RBI.

NPAs, Provisioning and Write offs

Our ability to manage the credit quality of our loans, which we measure in part through NPAs, is a key driver of our results of operations. Credit quality is the outcome of the credit appraisal mechanism and recovery system followed by us. We classify NPAs in accordance with regulatory guidelines. As the number of our loans that become NPAs increase, the quality of our loan portfolio decreases. In accordance with the Master Direction for NBFC-ND-SI, 2016 as updated, we are required to classify loans that are over 90 days past due as NPAs. Set forth below are details of our asset quality ratios, as well as provisions for Gross NPAs, as of each of the corresponding periods:

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
Gross NPA(1) (₹ million)	24,415.53	17,682.54	15,133.54	17,087.67	14,860.81
Gross NPA ratio(2) (%)	8.77%	5.21%	3.21%	5.06%	3.13%
Net NPA(3) (₹ million)	15,102.24	10,353.90	7,680.24	8,957.41	7,710.76
Net NPA ratio(4) (%)	5.61%	3.12%	1.66%	2.72%	1.65%
Provision Coverage	38.14%	41.45%	49.25%	47.58%	48.11%

Particulars	As of/ For the Year Ended March 31,			As of/ For the Six Months Ended September 30,	
	2021	2022	2023	2022	2023
Ratio[5] (%)					

(1) Gross NPA represents Term Loans Outstanding pertaining to loans which are required to be classified as NPA as per the Income Recognition, Asset Classification and Provisioning norms issued and modified by RBI from time to time.
(2) Gross NPA (%) represents Gross Non-performing Term Loans divided by Term Loans Outstanding at the period end, as a percentage.
(3) Net NPA represents Gross NPA reduced by NPA provisions as of the last day of relevant period
(4) Net NPA (%) represents Net Non-performing Term Loans divided by Net Term Loans Outstanding, as at the period end, as a percentage. Net Term Loans represent Term Loans Outstanding minus NPA Provisions, as at the period end.
(5) Provision Coverage Ratio represents total provisions held on Gross NPA as of the last day of the period, as a percentage of total Gross NPAs as at the end of the period.

Our Restated Financial Information included in this Prospectus have been prepared under Ind AS. Ind AS requires us to compute impairment on our financial assets. We follow a three stage model for impairment of loan assets carried at amortised cost based on changes in credit quality since initial recognition.

Expected credit loss ("**ECL**") is the product of the (i) Probability of Default (representing the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months, or over the remaining lifetime of the obligation), (ii) Exposure at Default (based on the amount of outstanding exposure as on the assessment date on which ECL is computed), and (iii) Loss Given Default (representing our Company's expectation of the extent of loss on a defaulted exposure, and which varies by type of counterparty, type, and preference of claim and availability of collateral or other credit support).

Provision for expected credit losses

Stage	Category	Description of category	Basis for recognition of expected credit loss provision
			Loans
Stage-1	Standard Assets	Assets where counter party has strong capacity to meet the obligations and where risk of default is negligible or nil / regularly paying assets	12 month ECL
Stage-2	Loans with increased credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Lifetime expected credit losses
Stage-3	Loans- Impaired (NPA)	Assets where there is high probability of default and written off assets where there is low expectation of recovery	Lifetime expected credit losses

We may experience increases in our net NPAs and gross NPAs due to increase in credit problems in RE projects which may be affected by factors including project delays, rise in the price of material for power generation, delay in payments from DISCOMS, *force majeure* events, regulatory and tariff related issues, technology and generation related issues and change in RE-related business scenarios.

To reduce our NPAs, we have a dedicated review and monitoring mechanism in place to monitor project loans throughout the lifecycle of the project. Our post-disbursement monitoring mechanism is structured to proactively set off potential default triggers based on regular review of key parameters including debt service coverage ratio, balance/transaction review for trust and retention accounts and debt service reserve accounts, plant load factor of projects, validity/coverage of insurance for projects, compliance with security coverage, and any significant changes in the guarantor's net worth. For further information on our resolution and recovery strategies, see "*Our Business – Competitive Strengths – Comprehensive data based credit appraisal process and risk-based pricing, with efficient post-disbursement project monitoring and recovery processes*" and "*Our Business – Business Operations – Credit Risk"* on pages 227 and 254, respectively.

Eligible Incentives and Tax Benefits, Including to the Renewable Energy Sector

We are a public financial institution and our business is almost entirely concentrated within RE sector borrowers. 100% of our loan book is dedicated towards RE financing. Accordingly, our results and operations and financial condition are dependent on the success and growth of the Indian RE sector. The viability of the RE sector is linked to a favourable policy framework and the related fiscal and financial incentives available thereunder. We provide finance towards promotion and development of renewable sources of energy and energy efficiency projects.

We currently receive tax benefits by virtue of our status as a public financial institution, which has enabled us to reduce our effective tax rate. These tax benefits include the creation of a special reserve under Section 36(1)(viii) of the Income Tax Act and provision for bad and doubtful debts under Section 36(1)(viia)(c) of the Income Tax Act. For further details, see *"Statement of Special Tax Benefits"* on page 131.

The availability of such tax benefits is in line with proviso under the Income Tax Act, 1961. Any change or amendment to this by the GoI may have an impact on our income tax outgo and exemption. For further information, see "*Risk Factors – Our business is entirely concentrated in, and dependent on, the Indian RE sector, which in general has many challenges and effective addressing of these risks are key to the growth of the sector. If risks in the sector are not managed effectively, the sector growth will suffer, and our business and operations will in turn will also be adversely affected*" and "*Key Regulations and Policies in India*" on pages 44 and 264, respectively.

Project Lending

We generally provide short, medium and long term loans to borrowers for utilization in a particular project on the basis that the cash flows from the project, will service the repayment of principal amounts as well as payment of interest to us.

RE projects carry project specific as well as general risks, many of which are beyond our control, including:

- political, regulatory, fiscal, monetary and legal actions and policies that may adversely affect the viability of projects we finance;
- natural calamities affecting the regions where such projects are located;
- changes in government and regulatory policies relating to the RE sector, including those that affect borrower cash flows;
- delays in the construction and operation of projects we finance;
- adverse changes in demand for, or the price of, energy generated or distributed by the projects we finance;
- the willingness and ability of consumers to pay for the energy produced by projects we finance;
- shortages of, or adverse price developments for, raw materials and key inputs;
- increased project costs due to environmental challenges and changes in environmental regulations;
- potential defaults under financing arrangements of project companies and their equity investors;
- failure of co-lenders with us under consortium lending arrangements to perform on their contractual obligations;
- failure of third parties such as contractors, fuel suppliers, sub- contractors and others to perform on their contractual obligations in respect of projects we finance;
- adverse developments in the overall economic environment in India; adverse fluctuations in interest rates or currency exchange rates;
- economic, political and social instability or occurrences such as natural disasters, armed conflict and terrorist attacks, particularly where projects are located or in the markets they are intended to serve;
- delay in obtaining or renewing regulatory or environmental clearances; and
- delay in acquisition of land for projects we finance.

The long-term profitability of power sector projects is also dependent on the efficiency of their operation and maintenance of their assets. Operational disruptions could adversely affect the cash flows available from these projects. In addition, the cost of repairing or replacing damaged assets could be considerable. Repeated or prolonged interruption may result in a permanent loss of customers, substantial litigation or penalties and/or regulatory or contractual non-compliance. For further information, see "*Risk Factors – Projects and schemes for generating electricity and energy through renewable sources like solar, wind, hydro, biomass, waste-to-energy and new and emerging technologies have inherent risks and, to the extent they materialize, could adversely affect our business, results of operations and financial condition"* on page 38.

If our borrowers fail to make payments of interest or principal in a timely manner it may also affect the asset classification as per the terms of applicable prudential norms and consequently, we may be unable to recognize revenue from these loans on an accrual basis and may also have to undertake additional provisioning in accordance with applicable prudential norms.

Borrowers' Cash Flows

The power off-take from the RE projects is largely through long-term power purchase agreements with central agencies as well as state DISCOMs, and in a few cases, private off-takers (in the case of open access and group captive projects. The weak financial health of DISCOMs remains the biggest challenge for the Indian power sector. (*Source: CARE Report*) Financial issues faced by DISCOMs may result in delayed payments to the RE power generators and irregular payment cycles of our RE project borrowers. Apart from this the business performance of private off takers may also impact the timely payment of our dues. This may affect the repayment capability of our borrowers and in turn may adversely affect our results of operations and financial condition.

If our borrowers are unable to manage their cash flow and other financial risks applicable to such borrowers due to risks of non-payment or delayed payment by the DISCOMs or private off takers, our NPAs could increase which would also adversely affect our results of operations and financial condition.

We generally implement security and quasi-security arrangements in relation to our term loans. We take security by way of a mortgage on project land and buildings and hypothecation of project assets including plant and machinery. In addition, we often take an additional security through a charge on asset such as pledges of shares held by promoters, personal guarantees and corporate guarantees. The value of primary security and collateral may not be adequate to recover losses in case of non-performance and such security may be challenging to liquidate as project specific assets may include of civil structures.

We also use trust and retention account arrangements to provide us with payment security. The trust and retention account arrangements are effective in the event that revenue from the end users or other receipts, as applicable, is received by our borrowers and deposited in the relevant escrow accounts or trust and retention accounts. There may be instances of non-enforcement of trust and retention accounts by bankers, resulting in default in payments by the borrower. Although we monitor the flow into the trust and retention accounts, in certain instances we may not have any arrangement in place to ensure that such revenue is received or deposited in such accounts and the effectiveness of the trust and retention account arrangements is limited to that extent. For further information, see "*Risk Factors – The escrow account mechanism and the trust and retention account arrangements implemented by us as a quasi-security mechanism in connection with payment obligations of our borrowers may not be effective, which could adversely affect our results of operations and financial condition*" on page 57. Further, force majeure/unexpected events such as the COVID-19 pandemic create liquidity risks due to disruptions in the capital markets and changes in interest rates, as well as supply chain risks due to the disruption in the supply of materials and price increases in material. Such outbreaks may impact our borrowers, their business, results of operations and financial condition which in turn could impact their repayment of interest and principal on their borrowings from us and could also increase our NPAs in certain cases. While we usually obtain a commitment from off-takers that the revenue from the projects will be deposited in the trust and retention account or escrow account only, there may be instances of failure of this mechanism. If end users do not make payments to our borrowers, the trust and retention account arrangements will not be effective in ensuring the timely repayment of our loans, which may adversely affect our results of operations and financial condition.

Foreign Exchange and Hedging

As of March 31, 2021, 2022, 2023 and as of September 30, 2022 and 2023, we had foreign currency borrowings of ₹ 103,180.11 million, ₹ 104,320.31 million, ₹ 101,329.27 million, ₹ 99,826.70 million and ₹ 96,857.68 million, which comprises 42.99%, 37.78%, 25.23%, 33.02% and 24.31% of our total borrowings, respectively. We may seek to obtain additional foreign currency borrowings in the future. We are therefore affected by adverse movements in foreign exchange rates. In the past, the rupee has depreciated against currencies such as US$, Euro and Japanese Yen and such depreciation has been significantly volatile. If the Rupee depreciates against the currencies in which we borrow in, it will result in a higher outflow in relation to the foreign currency denominated loans. Although we have hedged our foreign currency loan in accordance with our foreign exchange and derivatives risk management policy, our hedges may not cover sufficiently, or at all, an increase in foreign currency loans resulting from the depreciation of the rupee against such currencies to the extent of open exposures.

We currently hold, and have in the past held, derivative contracts, principal only swaps, including forward exchange contracts and interest rate swaps. We believe that these forward exchange contracts, and cross currency swaps, have the effect of reducing the volatility of exchange difference of foreign currency exposure and interest rate risk. If, in the future, foreign exchange rates or interest rates move contrary to our expectations, or if our risk management procedures prove to be inadequate, we could incur derivative-related or other charges and opportunity losses independent of the relative strength of our business, which could affect our results of operations and financial condition.

Presentation of Financial Information, Basis of Consolidation and Restatement

Our Restated Financial Information has been compiled by the management from our audited consolidated financial statements as at and for the fiscal year ended March 31, 2021 and our Company's audited standalone financial statements as at and for the years ended, March 31, 2022, March 31, 2023 and as at and for the six months ended September 30, 2022 and September 30, 2023. Our Restated Financial Information for Fiscal 2021 present the consolidated accounts of (i) our Company and (ii) our associate, M.P. Windfarms Limited. Our Restated Financial Information for Fiscal 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 present our standalone accounts of our Company.

Our Restated Financial Information has been prepared as of, and for, the fiscal years ended March 31, 2021, March 31, 2022 and March 31, 2023 and the six months ended September 30, 2022 and September 30, 2023 in accordance with Ind AS, applicable provisions of the Companies Act and restated in accordance with the SEBI ICDR Regulations. The Restated Financial Information has been prepared to comply in all material respects with the requirements of Section 26 of Companies Act, 2013, the relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended from time to time.

Indian accounting standards (Ind AS)

We currently prepare our financial statements under Ind AS, and our Restated Financial Information has been prepared under Ind AS.

The Companies (Indian Accounting Standards) Rules, 2015 ("**IAS Rules**"), enacted alternatives to Indian GAAP that are intended to align Indian GAAP further with IFRS. The IAS Rules provide that the financial statements of the companies to which they apply shall be prepared and audited in accordance with Ind AS. Ind AS is different in many respects from Indian GAAP under which our historical accounts before April 1, 2018 were prepared. All NBFCs having a net worth of more than ₹ 5,000.00 million were required to mandatorily adopt Ind AS for the accounting period beginning from April 1, 2018, with comparatives for the period ending on March 31, 2017. We began preparing our financial statements under Ind AS beginning from April 1, 2018.

Material Accounting Policy Information

The preparation of our financial information requires selecting accounting policies and making estimates and assumptions that affect items reported in the profit and loss account, balance sheet, changes in equity and cash flow statements and notes to the financial information. The determination of these accounting policies is fundamental to our results of operations and financial condition, and such determination requires management to make subjective and complex judgements about matters that are inherently uncertain based on information and data that may change in future periods. As a result, determinations regarding these items necessarily involve the use of assumptions and subjective judgements as to future events and are subject to change, and the use of different assumptions or data could produce materially different results.

The Restated Financial Information are presented in Indian Rupee which is the functional currency of the primary economic environment in which our Company operates, values being rounded in millions to the nearest two decimals, except when stated otherwise.

Significant management judgments

Recognition of deferred tax assets/ liability – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized. Further, our management has no intention to make withdrawal from the special reserve created and maintained under Section 36(1)(viii) of the Income tax Act, 1961. Thus, the special reserve created and maintained is not capable of being reversed. Hence, our Company does not create any deferred tax liability on the said reserve.

Evaluation of indicators for impairment of assets – The evaluation of the applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of the recoverable amount of the assets.

Non-recognition of interest income on Credit Impaired Loans - Interest income on credit-impaired loan assets is not being recognized as a matter of prudence, pending the outcome of resolutions of stressed assets.

Materiality of prior period item

Prior period items which are not material are not corrected retrospectively through restatement of comparative amounts and are accounted for in the current year.

Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the Restated Financial Information. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The combination of size and nature of the items are the determining factor.

Significant estimates

Useful lives of depreciable/amortizable assets – Our management estimates the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation ("**DBO**") – Our management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Our management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. In estimating the fair value of an asset or a liability, our Company uses market observable data to the extent it is available. In case of non-availability of market-observable data, Level 2 and Level 3 hierarchy is used for fair valuation.

Income Taxes – Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid or recovered for uncertain tax positions and in respect of expected future profitability to assess deferred tax asset.

Expected Credit Loss ('**ECL**') – The measurement of an ECL allowance for financial assets measured at amortized cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior (for instance, likelihood of customers defaulting and resulting losses). Our Company makes significant judgments about the following while assessing expected credit loss to estimate ECL:

(i) Determining criteria for a significant increase in credit risk;

(ii) Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL;

(iii) Establishing groups of similar financial assets to measure ECL; and

(iv) Estimating the probability of default and loss given default (estimates of recoverable amounts in case of default).

Provisions - The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Property, Plant and Equipment ("PPE")

Tangible Assets (PPE)

The PPE (tangible assets) is initially recognized at cost.

The cost of an item of PPE comprises its purchase price, including import duties, non-refundable taxes, after deducting trade discounts and rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the location and condition necessary for it to be ready for its intended use. Stores and spares which meet the recognition criteria of PPE are capitalized and added in the carrying amount of the underlying asset.

Our Company has adopted the cost model of subsequent recognition to measure the PPE. Consequently, all PPE are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

De-recognition

An item of PPE is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from de-recognition of a PPE, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of profit and loss when the asset is derecognized.

Capital Work-in-Progress

The cost of PPE under construction at the reporting date is disclosed as 'capital work-in-progress.' The cost comprises purchase price, import duties, non-refundable taxes, after deducting trade discounts and rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the location and condition necessary for it to be ready for its intended use. Advances paid for the acquisition/ construction of PPE which are outstanding at the balance sheet date are classified under 'capital advances'.

Intangible Assets and Amortization

Intangible assets are initially measured at cost. The cost comprises purchase price, import duties, non-refundable taxes, after deducting trade discounts and rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the condition necessary for it to be ready for its intended use. Such assets are recognized where it is probable that the future economic benefits attributable to the assets will flow to our Company.

All intangible assets with finite useful life are subsequently recognized at cost model. These intangible assets are carried subsequently at its cost less accumulated amortization and accumulated impairment loss if any.

Intangible Assets under Development

Expenditure incurred which are eligible for capitalization under intangible assets is carried as 'intangible assets under development' till they are ready for their intended use.

Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation and Amortization

Depreciation on tangible PPE is provided in accordance with the manner and useful life as specified in Schedule –II of the Companies Act 2013, on written down basis, except for the assets mentioned below:

- Depreciation on Library books is provided @ 100% in the year of purchase.
- Depreciation on PPE of Solar Power Project is provided on Straight Line Method at rates/methodology prescribed under the relevant Central Electricity Regulatory Commission (CERC) and relevant state Commission Tariff Orders.
- Depreciation is provided @100% in the financial year of purchase in respect of assets of Rs. 5,000/- or less.
- Amortization of intangible assets is being provided on straight line basis.
- Useful lives for all PPE & Intangible assets are reviewed at each reporting date. Changes, if any, are accounted for as changes in accounting estimates.

Useful life of assets as per Schedule II:

Asset Description	Estimated Useful Life	Residual Value as a % of original cost
Building	60 years	5%
Computers and Data Processing Units		
- Laptops / Computers	3 years	5%
- Servers	6 years	5%
Office Equipment	5 years	5%
Furniture and Fixtures	10 years	5%
Vehicles	8 years	5%
Intangible Assets	5 years	0%

Useful life of assets as per CERC order

Asset Description	Estimated Useful Life	Residual Value as a % of original cost
Solar Plant	25 years	10%

Government Grant / Assistance

Our Company may receive government grants that require compliance with certain conditions related to our Company's operating activities or are provided to our Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognized when there is reasonable assurance that the grant will be received and our Company will be able to comply with the conditions attached to them. These grants are classified as grants relating to assets and revenue based on the nature of the grant.

Government grants with a condition to purchase, construct or otherwise acquire long term assets are initially recognized as deferred income. Once recognized as deferred income, such grants are recognized in the statement of profit and loss on a systematic basis over the useful life of the asset. Changes in estimates are recognized prospectively over the remaining life of the asset.

Grant related to subsidy are deferred and recognized in the statement of profit and loss over the period that the related costs, for which it is intended to compensate, are expensed.

Grant-in-aid for financing projects in specified sectors of New and Renewable Sources of Energy is treated and accounted as deferred income.

The expenditure incurred under Technical Assistance Programme is accounted for as recoverable and shown under the head 'Other Financial Assets'. The assistance reimbursed from multilateral/ bilateral agencies is credited to the said account.

Leases

As a lessee

Our Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, our Company assesses whether: (i) the contract involves the use of an identified asset; (ii) our Company has substantially all of the economic benefits from use of the asset through the period of the lease, and (iii) our Company has the right to direct the use of the asset.

Our Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Our Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

Our Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the estimated useful life of the assets.

Lease liabilities

At the commencement date of the lease, our Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Our Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate is the State Bank of India MCLR rate for the period of the loan if the loan is up to three years. For a period, greater than three years, State Bank of India MCLR rate for three years may be taken.

Short-term leases and leases of low-value assets

Lease payments on short-term leases (which has a lease term of up to 12 months) and leases of low value assets (asset value up to ₹ 1,000,000) are recognized as expense over the lease term. Lease term is determined by taking non-cancellable period of a lease, together with both: (i) periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and (ii) periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

As a lessor

When our Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, our Company makes an overall assessment of whether the lease transfers substantially all the risk and rewards incidental to the ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of the assessment, our Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset. If an arrangement contains lease and non-lease components, our Company applies Ind AS 115 'Revenue from contract with customers' to allocate the consideration in the contract. Our Company recognizes lease payments received under operating lease as income on a straight-line basis over the lease term as part of 'Revenue from operations'.

Investments in Subsidiary, Associates and Joint Venture

Our Company accounts investment in subsidiary, joint ventures and associates at cost. An entity controlled by our Company is considered as a subsidiary of our Company. Investments in subsidiary company outside India are translated at the rate of exchange prevailing on the date of acquisition.

Investments where our Company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Impairment Loss on Investment in Associate or joint Venture

If there is an indication of impairment in respect of entity's investment in associate or joint venture, the carrying value of the investment is tested for impairment by comparing the recoverable amount with its carrying value and any resulting impairment loss is charged against the carrying value of investment in associate or joint venture.

Impairment of Non-Financial Asset

Our Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, our Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating units ("**CGU**") fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Cash and cash equivalents

Cash comprises cash in hand, cash at bank including debit balance in bank overdraft, if any, demand deposits with banks, commercial papers and foreign currency deposits. Cash equivalents are short term deposits (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized up to the date when the asset is ready for its intended use after netting off any income earned on temporary investment of such funds.

To the extent that our Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

Other borrowing costs are expensed in the period in which they are incurred.

Foreign currency transactions

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in the statement of profit and loss.

Foreign Currency Monetary Item Translation Reserve Account ("**FCMITR**") represents unamortized foreign exchange gain/loss on long-term foreign currency borrowings that are amortized over the tenure of the respective borrowing. We have adopted exemption of Para D13AA of Ind AS 101, according to which we may continue the policy adopted for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the previous GAAP. Accordingly, all transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. The exchange differences arising on reporting of long-term foreign currency monetary items outstanding as on March 31, 2018, at rate prevailing at the end of each reporting period, different from those at which they were initially recorded during the period, or reported in previous financial statements, are accumulated in FCMITR Account, and amortized over the balance period of such long-term monetary item, by recognition as income or expense in each of such period. Long-term foreign currency monetary items are those which have a term of twelve months or more at the date of origination.

Long-term foreign currency monetary items are those which have a term of twelve months or more at the date of origination.

Short-term foreign currency monetary items (having a term of less than twelve months at the date of origination) are translated at rates prevailing at the end of each reporting period. The resultant exchange fluctuation is recognized as income or expense in each of such periods.

As per Para 27 of Ind AS 21, exchange difference on monetary items that qualify as hedging instruments in cash flow hedge are recognized in other comprehensive income to the extent hedge is effective. Accordingly, we recognize the exchange difference due to translation of foreign currency loans at the exchange rate prevailing on reporting date in cash flow hedge reserve.

Earnings per Share

The basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during the year. The number of equity shares and potentially dilutive equity shares are adjusted for share splits, reverse share splits and bonus shares, as appropriate.

Provisions

A provision is recognized when our Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities

Contingent liabilities are not recognized but disclosed in notes when our Company has (i) a possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of our Company, or (ii) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probably, then relative provision is recognized in the financial statements.

Contingent Assets

Contingent assets are not recognized but disclosed in notes which usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits.

Contingent assets are assessed continuously to determine whether inflow of economic benefits becomes virtually certain, then such assets and the relative income will be recognized in the financial statements.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Chairman and Managing Director of our Company has been identified as the chief operating decision maker.

Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated unless it is impracticable, in which case, the comparative information is adjusted to apply the accounting policy prospectively from the earliest date practicable.

Taxation

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss /other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Our Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax is recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax is also recognized in other comprehensive income or directly in equity respectively. Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding amounts used for taxation purpose.

Deferred tax liabilities are generally recognized for all taxable temporary differences.

Deferred tax assets are generally recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including import duties, non-refundable taxes, after deducting trade discounts and rebates, borrowing cost if capitalization criteria are met and any cost directly attributable in bringing the asset to the location and condition necessary for it to be ready for its intended use.

After initial recognition, our Company measures investment property by using cost model.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss in the period in which the property is derecognized.

Investment properties are depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at our Company.

Though investment property is measured using cost model, the fair value of investment property is disclosed in the notes.

Employee Benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plan

A defined contribution plan is a plan under which our Company pays fixed contributions in respect of the employees into a separate fund. Our Company has no legal or constructive obligations to pay further contributions after its payment of the fixed contribution. The contributions made by our Company towards defined contribution plans are charged to the statement of profit and loss in the period to which the contributions relate.

Defined benefit plan

Our Company has an obligation towards gratuity, Post-Retirement Medical Benefit and Other Defined Retirement Benefit, which are being considered as defined benefit plans covering eligible employees. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service, final salary, and other defined parameters. The legal obligation for any benefits remains with our Company, even if plan assets for funding the defined benefit plan have been set aside.

Our Company's obligation towards defined benefit plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The liability recognized in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation ("**DBO**") at the reporting date less the fair value of plan assets. Our management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income. The liability for retirement benefits of employees in respect of provident fund, benevolent fund, superannuation fund and gratuity is funded with separate trusts.

Our Company's contribution to provident fund / superannuation fund is remitted to separate trusts established for this purpose based on a fixed percentage of the eligible employee's salary and debited to the statement of profit and loss.

Other long-term employee benefits:

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the period in which such gains or losses are determined.

Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognized when our Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted by transactions costs, except for those carried at fair value through profit or loss. Subsequent measurement of financial assets and financial liabilities is described below.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition: (i) Amortized cost; (ii) Financial assets at fair value through profit or loss ("**FVTPL**"); and Financial assets at fair value through other comprehensive income ("**FVOCI**").

All financial assets except for those at FVTPL or equity instruments at FVOCI are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied to each category of financial assets, which are described below.

Loan at Amortised Cost

Loans (financial asset) are measured at amortized cost using Effective Interest Rate if both of the following conditions are met: (i) The financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A loss allowance for expected credit losses is recognized on financial assets carried at amortized cost.

Financial assets at Fair Value through Profit or Loss

Financial assets at FVTPL include all derivative financial instruments except for those designated and effective as hedging instruments, for which the hedge accounting requirements are being applied. Assets in this category are measured at fair value with gains or losses recognized in the statement of profit and loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at Fair Value through Other Comprehensive Income (FVOCI)

Financial assets at FVOCI comprise of equity instruments measured at fair value. An equity investment classified as FVOCI is initially measured at fair value plus transaction costs. Gains and losses are recognized in other comprehensive income and reported within the FVOCI reserve within equity, except for dividend income, which is recognized in profit or loss. There is no recycling of such gains and losses from OCI to Statement of Profit & Loss, even on the derecognition of the investment. However, the Company may transfer the same within equity.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognized (i.e. removed from our Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Our Company also derecognizes the financial asset if it has both transferred the financial asset and the transfer qualifies for de-recognition.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for derivative financial liabilities which are carried at FVTPL, subsequently at fair value with gains or losses recognized in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Derivative financial instruments

Our Company is exposed to foreign currency fluctuations on foreign currency assets and liabilities. Our Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives.

Our Company use Derivative instrument includes principal swap, cross currency and interest rate swap, forwards, interest rate swaps, currency and cross currency options, structured product, among others, to hedge foreign currency assets and liabilities.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss as cost.

De-recognition of Financial asset:

Financial assets are derecognized when the contractual right to receive cash flows from the financial assets expires, or transfers the contractual rights to receive the cash flows from the asset.

Hedge Accounting

Derivative financial instruments are accounted for at FVTPL except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet all of the following requirements: (i) there is an economic relationship between the hedged item and the hedging instrument; (ii) the effect of credit risk does not dominate the value changes that result from that economic relationship; and (iii) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

Our Company has designated mostly derivative contracts as hedging instruments in cash flow hedge relationships. These arrangements have been entered into to mitigate foreign currency exchange risk and interest rate risk arising against which debt instruments denominated in foreign currency.

Cash Flow hedging is done to protect cash flow positions of our Company from changes in exchange rate fluctuations and to bring variability in cash flow to fixed ones.

Our Company enters into hedging instruments in accordance with policies as approved by the Board of Directors; provide written principles which are consistent with the risk management strategy/policies of our Company.

All derivative financial instruments used for hedge accounting are recognized initially at fair value and reported subsequently at fair value in the balance sheet.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments is assessed and measured at inception and on an on-going basis. The effective portion of change in the fair value as assessed based on mark to market valuation provided by respective banks/third party valuation of the designated hedging instrument is recognized in other comprehensive income as 'Cash Flow Hedge Reserve'. The ineffective portion is recognized immediately in the statement of profit and loss as and when it occurs.

At the time the hedged item affects profit or loss, any gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income.

If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in Cash Flow Hedge Reserve remains in Cash Flow Hedge Reserve till the period the hedge was effective. The cumulative gain or loss previously recognized in the Cash Flow Hedge Reserve is transferred to the statement of profit and loss upon the occurrence of the underlying transaction.

Impairment

Impairment of financial assets

Loan assets

Our Company follows a 'three-stage' model for impairment of loan asset carried at amortized cost based on changes in credit quality since initial recognition as summarized below:

Stage-1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date.

Stage-2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.

Stage-3 includes loan assets that have objective evidence of impairment at the reporting date.

The ECL is measured at 12-month ECL for Stage-1 loan assets and lifetime ECL for Stage-2 and Stage-3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default ("**PD**") - The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime of the obligation.

Loss Given Default ("**LGD**") – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type, and preference of claim and availability of collateral or other credit support.

Exposure at Default ("**EAD**") – EAD is based on the amount of outstanding exposure as on the assessment date on which ECL is computed.

Forward-looking economic information is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an on-going basis.

<u>Financial Instruments other than Loans consist of</u>: (i) Financial assets include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances; and (ii) Financial liabilities include borrowings, bank overdrafts, trade payables.

Non-derivative financial instruments other than loans are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when our Company has not retained control over the financial asset.

Subsequent to initial recognition, they are measured as prescribed below:

<u>Cash and cash equivalents</u>

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at bank, demand deposits with banks, cash credit, fixed deposits and foreign currency deposits, net of outstanding bank overdrafts that are repayable on demand and are considered part of our Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings.

<u>Trade Receivable</u>

Our Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require our Company to track changes in credit risk. Rather, we recognize impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Our Company determines impairment loss allowance based on individual assessment of receivables, historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

<u>Other payables</u>

Other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

<u>Dividend</u>

Proposed dividends and interim dividends payable to the shareholders are recognized as changes in equity in the period in which they are approved by the Board of Directors and in the shareholders' meeting respectively.

<u>Fair Value Measurement and Disclosure</u>

Our Company measures financial instruments, such as derivatives at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: (i) In the principal market for the asset or liability, or (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by our Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Our Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements regularly, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

<u>Revenue Recognition</u>

<u>Interest income</u>

Interest income is accounted on all financial assets (except where we are not recognizing interest income on credit impaired financial assets) measured at amortized cost. Interest income is recognized using the Effective Interest Rate ("**EIR**") method in line with Ind AS 109, Financial Instruments. The EIR is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition. The EIR is calculated by taking into account transactions costs and fees that are an integral part of the EIR in line with Ind AS 109. Interest income on credit impaired assets is recognized on receipt basis.

Rebate on account of timely payment of interest by borrowers is recognized on receipt of the entire interest amount due in time, in accordance with the terms of the respective contract and is netted against the corresponding interest income.

Unless otherwise specified, the recoveries from the borrowers are appropriated in the order of (i) incidental charges (ii) penal interest (iii) overdue interest, and (iv) repayment of principal; the oldest being adjusted first. The recovery under One Time Settlement, Insolvency and Bankruptcy Code proceedings is appropriated first towards the principal outstanding and remaining recovery thereafter, towards interest and other charges, if any.

<u>Other Revenue</u>

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) are recognized as per Ind AS 115 - Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers. The Company recognizes revenue from contracts with customers based on the principle laid down in Ind AS 115 - Revenue from contracts with customers.

Revenue from contract with customers is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Revenue is measured at the transaction price agreed under the Contract. Transaction price excludes amounts collected on behalf of third parties (e.g., taxes collected on behalf of government) and includes/adjusted for variable consideration like rebates, discounts, only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Revenue from solar plant

Income from solar plant is recognized when the performance obligation are satisfied over time. Rebate given is disclosed as a deduction from the amount of gross revenue.

Revenue from Fee and Commission

Fees and commission are recognized on a point in time basis when probability of collecting such fees is established.

Revenue from Implementation of Government Schemes and Projects

The company besides its own activities also acts as implementing agency on behalf of various government / non-government organizations on the basis of Memorandum of Understanding ("**MoU**") entered into between the company and such organization. The details of such activities are disclosed by the way of notes to the financial statements.

Wherever any funds are received under trust on the basis of such MoUs entered, the same is not included in cash and cash equivalents and any income including interest income generated out of such funds belonging to such organizations is not accounted as revenue of the company.

Service charges earned from such schemes implemented by the company are recognized at a point in time basis when certainty of collecting such service charges is established.

Expense

Expenses are accounted for on accrual basis. Prepaid expenses up to ₹ 500,000 per item are charged to the statement of profit and Loss, as and when incurred, adjusted or received.

Financial Performance Indicators and Non-GAAP Financial Measures

Certain financial indicators and ratios to measure and analyse our financial performance and financial condition ("**Non-GAAP Measures**"), presented in this Prospectus are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS, US GAAP or any other GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS, US GAAP or any other GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS, US GAAP or any other GAAP. In addition, Non-GAAP measures are widely used in our industry, they may not be comparable to similar financial indicators and ratios used by other companies engaged in the financial services industry in India and are not standardised terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Further, these Non-GAAP Measures have limitations as analytical tools, and should not be considered in isolation from, or as a substitute for, analysis of our historical performance, as reported and presented in our Restated Financial Information. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Principal Components of Statement of Profit and Loss

Revenue

Revenue from Operations

Our revenue from operations comprises the following:

Interest income: Our interest income comprises interest on (a) interest on loans from lending operations; (b) interest income on investments, comprising interest on GoI securities and interest on commercial papers; (c) interest on deposits with banks, comprising short term deposits in INR and in foreign currency; (d) other interest income; and (e) differential interest, which is charged on prepayment of loans.

Fees and commission income: Fees and commission income comprises (a) business service fees (including fee-based income, consultancy fees and guarantee commission); and (b) service charges (including charges from various funds, incentives and projects).

Net gain/(loss) on fair value changes on derivatives: Net gain/(loss) on fair value changes comprise fair value changes on derivative cover taken on foreign currency loans and fair value changes other than those arising on account of accrued interest income and expenses.

Other operating income: Our other operating income comprises (a) revenue from solar plant operations at our 50MW Kasaragod Solar Plant in the state of Kerala; (b) profit from sale of investments; and (iii) recovery from bad debts written off.

Other Income

Our other income comprises (a) excess provisions written back; (b) interest on staff loans; (c) profit on the sale of property, plant and equipment; (d) profit on sale of investment in associate; (e) rental income; and (f) others.

Expenses

Finance Costs

Finance costs primarily include (a) interest on borrowings; (b) interest on debt securities; (c) interest on subordinated liabilities; (d) other borrowing cost, including commitment fees and guarantee fees; (e) transaction costs on borrowings, which are costs incurred on the issue of securities or the initial costs on availing lines of credit or bank facility; and (f) interest on lease liability.

Net translation/transaction exchange loss/ gain

Net translation/transaction exchange loss or gains comprise (a) our net translation of foreign currency exchange loss or gain; and (b) amortisation of Foreign Currency Monetary Item Translation Reserve (FCMITR).

Impairment on financial assets

Impairment on financial assets includes impairment on our loans measured at amortised cost.

Employee Benefit Expenses

Employee benefit expenses includes (a) salaries and wages; (b) contributions to provident fund and other funds; (c) staff welfare expenses; and (d) human resource development expenses.

Depreciation, Amortisation and Impairment

Depreciation, amortisation and impairment expense includes (a) the depreciation on property, plant and equipment, including buildings, computers, furniture and fixtures, leasehold improvements, office equipment, vehicles, solar plant (building and plant and equipment); (b) amortization on intangible assets including software; (c) depreciation on investment property including building and plant and machinery; and (d) amortization on right to use asset.

Other Expenses

Other expenses primarily include (a) rent, taxes and energy costs, (b) repairs and maintenance expenses, (c) communication costs, (d) printing and stationery expenses, (e) advertisement and publicity expenses, (f) director's fees, allowances and expenses, (g) auditor's fees and expenses, (h) legal and professional charges, (i) insurance costs, (j) bad debts, (k) credit rating expenses, (l) losses on the sale of fixed assets, and (m) other expenses.

Corporate Social Responsibility Expenses

Corporate social responsibility expenses comprises the amounts utilised towards our corporate social responsibility obligations as required under the Companies Act, 2013.

Results of Operations

The table below sets forth certain information with respect to our results of operations on a consolidated basis for

Fiscal 2021 and on a standalone basis for Fiscals 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023.

(in ₹ million, except percentages)

Profit and Loss Account	Fiscal						Six months ended September 30,			
	2021		2022		2023		2022		2023	
	(₹ million)	% of Total Income	(₹ million)	% of Total Income	(₹ million)	% of Total Income	(₹ million)	% of Total Income	(₹ million)	% of Total Income
Income:										
Revenue from Operations										
Interest income	25,643.38	96.49%	27,132.21	94.40%	33,738.27	96.86%	15,329.42	97.16%	22,856.86	98.50%
Fees and commission income	337.73	1.27%	1,063.86	3.70%	373.33	1.07%	161.35	1.02%	208.65	0.90%
Net gain/(loss) on fair value changes on derivatives	(124.73)	(0.47)%	(14.73)	(0.05)%	124.28	0.36%	100.68	0.64%	(113.21)	(0.49)%
Other operating income	691.74	2.60%	417.65	1.45%	583.87	1.68%	181.26	1.15%	246.03	1.06%
Total Revenue from Operations	**26,548.12**	**99.89%**	**28,598.99**	**99.50%**	**34,819.75**	**99.97%**	**15,772.71**	**99.97%**	**23,198.33**	**99.97%**
Other Income	29.32	0.11%	142.56	0.50%	10.70	0.03%	4.79	0.03%	6.25	0.03%
Total Income	**26,577.44**	**100.00%**	**28,741.55**	**100.00%**	**34,830.45**	**100.00%**	**15,777.50**	**100.00%**	**23,204.58**	**100.00%**
Expenses:										
Finance Cost	15,702.62	59.08%	15,872.51	55.22%	20,884.38	59.96%	9,272.47	58.77%	15,568.97	67.09%
Net translation/transaction exchange loss/ (gain)	698.47	2.63%	458.90	1.60%	240.26	0.69%	45.07	0.29%	(300.49)	(1.29)%
Impairment on financial assets	3,416.45	12.85%	1,798.98	6.26%	665.79	1.91%	(328.50)	(2.08)%	(1,143.75)	(4.93)%
Employee benefit expenses	473.60	1.78%	588.18	2.05%	630.93	1.81%	301.05	1.91%	329.46	1.42%
Depreciation, amortization and impairment	226.74	0.85%	232.43	0.81%	234.98	0.67%	114.70	0.73%	130.20	0.56%
Other expenses	200.24	0.75%	1,357.10	4.72%	711.88	2.04%	201.23	1.28%	380.87	1.64%
Corporate Social Responsibility Expenses	164.16	0.62%	95.06	0.33%	69.74	0.20%	9.81	0.06%	44.98	0.19%
Total Expenses	**20,882.28**	**78.57%**	**20,403.15**	**70.99%**	**23,437.96**	**67.29%**	**9,615.83**	**60.95%**	**15,010.24**	**64.69%**
Profit/(loss) before tax	**5,695.16**	**21.43%**	**8,338.40**	**29.01%**	**11,392.49**	**32.71%**	**6,161.67**	**39.05%**	**8,194.34**	**35.31%**
Tax Expense										
Income tax	2,916.23	10.97%	3,111.96	10.83%	2,531.73	7.27%	1,715.51	10.87%	2,030.45	8.75%
Deferred tax	(685.13)	(2.58)%	(1,108.84)	(3.86)%	214.48	0.62%	343.50	2.18%	370.74	1.60%
Share of Profit in Associate	(0.25)	(0.00)%	-	-	-	-	-	-	-	-
Profit/(loss) for the period	**3,463.81**	**13.03%**	**6,335.28**	**22.04%**	**8,646.28**	**24.82%**	**4,102.66**	**26.00%**	**5,793.15**	**24.97%**
Other Comprehensive Income	**(2,472.35)**	**(9.30)%**	**(777.97)**	**(2.71)%**	**(387.37)**	**(1.11)%**	**(1,828.32)**	**(11.59)%**	**(1,605.62)**	**(6.92)%**
Total Comprehensive Income for the period (comprising Profit/(Loss) and other Comprehensive Income for the period)	**991.46**	**3.73%**	**5,557.31**	**19.34%**	**8,258.91**	**23.71%**	**2,274.34**	**14.42%**	**4,187.53**	**18.05%**

Six Months Ended September 30, 2023 Compared to Six Months Ended September 30, 2022

Income

Our total income, comprising revenue from operations and other income, increased by 47.07% from ₹ 15,777.50 million in the six months ended September 30, 2022 to ₹ 23,204.58 million in the six months ended September 30, 2023, primarily due to higher interest income owing to increase in our loan portfolio during the six months ended September 30, 2023.

The table below sets forth details in relation to our income for the six months ended September 30, 2022 and September 30, 2023.

(in ₹ million, except percentages)

Income	Six months ended September 30,		Percentage Change
	2022	2023	
Revenue from Operations			
Interest income	15,329.42	22,856.86	49.10%
Fees and commission income	161.35	208.65	29.32%
Net gain/(loss) on fair value changes on derivatives	100.68	(113.21)	(212.45)%
Other operating income	181.26	246.03	35.73%
Total Revenue from Operations	15,772.71	23,198.33	47.08%
Other Income	4.79	6.25	30.46%
Total Income	15,777.50	23,204.58	47.07%

Revenue from Operations

Our revenue from operations increased by 47.08% from ₹ 15,772.71 million in the six months ended September 30, 2022 to ₹ 23,198.33 million in the six months ended September 30, 2023 for the reasons described below.

Interest income

Our interest income increased by 49.10% from ₹ 15,329.42 million in the six months ended September 30, 2022 to ₹ 22,856.86 million in the six months ended September 30, 2023 primarily due to the growth of our Term Loans Outstanding in Fiscal 2023.

- Our interest on loans from lending operations after rebate increased by 48.15% from ₹ 15,052.61 million in the six months ended September 30, 2022 to ₹ 22,299.70 million in the six months ended September 30, 2023. This was primarily due to the growth of our Term Loans Outstanding by 40.64%, from ₹ 337,833.59 million as of September 30, 2022 to ₹ 475,144.83 million as of September 30, 2023, driven significantly by increased lending to solar, wind and hydro projects.

- Our differential interest income increased from ₹ 87.59 million in the six months ended September 30, 2022 to ₹ 321.77 million in the six months ended September 30, 2023 primarily due to higher prepayments compared to the six months ended September 30, 2022.

Fees and commission income

Our fees and commission income increased by 29.32% from ₹ 161.35 million in the six months ended September 30, 2022 to ₹ 208.65 million in the six months ended September 30, 2023. This increase was on account of higher service charge received from implementation of government schemes.

Net gain/(loss) on fair value changes on derivatives

We experienced net loss on fair value changes on derivatives of ₹ (113.21) million in the six months ended September 30, 2023, compared to net gain of ₹ 100.68 million in the six months ended September 30, 2023 primarily on account of mark to market valuation of the derivative instruments availed to hedge foreign currency loans.

Other operating income

Other operating income increased by 35.73% from ₹ 181.26 million in the six months ended September 30, 2022 to ₹ 246.03 million in the six months ended September 30, 2023, on account of recovery of bad debts amounting to ₹ 106.23 million in the six months ended September 30, 2023 compared to ₹ 62.92 million in the six months ended September 30, 2022. As a result, we were able to close or upgrade net one non-performing project loan account in the six months ended September 30, 2023, with recovery of ₹ 272.73 million. This resulted in improvement in our GNPA from ₹ 17,087.67 million, or 5.06% of Term Loans Outstanding as of September 30, 2022 to ₹ 14,860.81 million, or 3.13% of Term Loans Outstanding as of September 30, 2023, and in NNPA from ₹ 8,957.41 million or 2.72% of Term Loans Outstanding as of September 30, 2022 to ₹ 7,710.76 million or 1.65% of Term Loans Outstanding as of September 30, 2023.

Other Income

Our other income increased from ₹ 4.79 million in the six months ended September 30, 2022 to ₹ 6.25 million in the six months ended September 30, 2023.

Expenses

Our total expenses increased by 56.10% from ₹ 9,615.83 million in the six months ended September 30, 2022 to ₹ 15,010.24 million in the six months ended September 30, 2023 for the reasons described below.

Finance Costs

Our finance costs increased by 67.91% from ₹ 9,272.47 million in the six months ended September 30, 2022 to ₹ 15,568.97 million in the six months ended September 30, 2023.

The table below sets forth details in relation to our finance costs for the six months ended September 30, 2022 and September 30, 2023.

(in ₹ million, except percentages)

Finance Costs	Six months ended September 30,		Percentage Change
	2022	2023	
Interest on borrowings	4,859.58	10,230.02	110.51%
Interest on debt securities	3,621.94	4,302.74	18.80%
Interest on subordinated liabilities	263.44	263.02	(0.16)%
Other borrowings costs	510.04	769.81	50.93%
Transaction cost on borrowings	15.54	1.55	(90.03)%
Interest on lease liability	1.93	1.83	(5.18)%
Total Finance Cost	9,272.47	15,568.97	67.91%

Our interest on borrowings increased from ₹ 4,859.58 million in the six months ended September 30, 2022 to ₹ 10,230.02 million in the six months ended September 30, 2023. This was primarily due to our higher fund raising through long term bonds and term loans from banks and financial institutions and also due to increase in domestic and international central bank rates, which impacted the cost of our floating rate domestic and international borrowings. We had availed borrowings of ₹ 29,694.35 million as of September 30, 2023, compared to ₹ 43,693.76 million as of September 30, 2022, which resulted in higher interest of borrowings, in addition to interest rates demonstrating upward movement in 2023.

Our interest on debt securities increased by 18.80% from ₹ 3,621.94 million in the six months ended September 30, 2022 to ₹ 4,302.74 million in the six months ended September 30, 2023 primarily due to fund raising through issuance of unsecured taxable bonds.

Our other borrowing costs increased by 50.93% from ₹ 510.04 million in the six months ended September 30, 2022 to ₹ 769.81 million in the six months ended September 30, 2023 primarily due to additional guarantee fees payable to the GoI for foreign currency loans.

Our transaction costs decreased from ₹ 15.54 million in the six months ended September 30, 2022 to ₹ 1.55 million in the six months ended September 30, 2023 primarily due to amortisation of transaction cost on full redemption of masala bonds.

Net translation/transaction exchange loss/gain

We witnessed net translation/transaction exchange gain of ₹ 300.49 million in the six months ended September 30, 2023 compared to loss of ₹ 45.07 million in the six months ended September 30, 2023, primarily due to favourable exchange fluctuations on foreign currency loans and repayment of foreign currency borrowings on that basis.

Impairment on financial instruments

Our impairment on financial instruments was ₹ (1,143.75) million in the six months ended September 30, 2023 compared to ₹ (328.50) million in the six months ended September 30, 2022. This was primarily due to provision of ₹ 303.25 million towards Stage-1 loans, ₹ 846.59 million towards Stage-1 and Stage-2 (standard) loans and ₹ 10.99 million towards non-fund based exposure and additional provision of ₹ 17.07 million towards incidental expenses made in the six months ended September 30, 2023.

Our Gross NPAs decreased from ₹ 17,087.67 million as of September 30, 2022 to ₹ 14,860.81 million as of September 30, 2023. As of September 30, 2022, Stage-1 loans comprised 88.12% of our Term Loans Outstanding, compared to 93.27% as of September 30, 2023. Further, as of September 30, 2022, Stage-2 loans comprised 6.63%

of our Term Loans Outstanding, compared to 3.40% as of September 30, 2023.

Employee Benefit Expenses

Our employee benefit expenses increased by 9.44% from ₹ 301.05 million in the six months ended September 30, 2022 to ₹ 329.46 million in the six months ended September 30, 2023 primarily due to increase in salaries on account of increase in our employee base from 160 as of September 30, 2022 to 175 as of September 30, 2023 owing to new recruitment, employee promotions and routine increments.

Depreciation, amortization and impairment

Our depreciation and amortization expenses increased from ₹ 114.70 million in the six months ended September 30, 2022 to ₹ 130.20 million in the six months ended September 30, 2023 owing to capitalization of office space at our business centre in East Kidwai Nagar, New Delhi and our residential flats.

Other Expenses

Our other expenses increased from ₹ 201.23 million in the six months ended September 30, 2022 to ₹ 380.87 million in the six months ended September 30, 2023 primarily owing to increase in legal and professional charges, and advertisement and publicity expenses. Advertisement and publicity expenses increased from ₹ 16.69 million in the six months ended September 30, 2022 to ₹ 65.93 million in the six months ended September 30, 2023 owing to increase in business promotion activities and focus on emerging business opportunities. In addition, consultancy and professional expenses increased from ₹ 23.61 million in the six months ended September 30, 2022 to ₹ 112.38 million in the six months ended September 30, 2023, due to the engagement of consultants.

Profit before tax

Our profit before tax increased by 32.99% from ₹ 6,161.67 million in the six months ended September 30, 2022 to ₹ 8,194.34 million in the six months ended September 30, 2023 for the reasons described above.

Tax Expenses

Our tax expenses increased by 16.62% from ₹ 2,059.01 million in the six months ended September 30, 2022 to ₹ 2,401.19 million in the six months ended September 30, 2023 primarily due to increase in profit and adjustment of deferred tax.

The table below sets forth details in relation to our tax expenses for the six months ended September 30, 2022 and September 30, 2023.

(in ₹ million, except percentages)

Tax Expenses	**Six months ended September 30,**		**Percentage Change**
	2022	**2023**	
Income tax	1,715.51	2,030.45	18.36%
Deferred tax	343.50	370.74	7.93%
Total Tax Expenses	2,059.01	2,401.19	16.62%

Profit for the period

For the reasons discussed above, our profit for the period increased by 41.20% from ₹ 4,102.66 million in the six months ended September 30, 2022 to ₹ 5,793.15 million in the six months ended September 30, 2023.

Other Comprehensive Income

Our other comprehensive income increased by 12.18% from ₹ (1,828.32) million in the six months ended September 30, 2022 to ₹ (1,605.62) million in the six months ended September 30, 2023 primarily due to change in the mark to market valuation on derivative instruments and exchange fluctuation on the underlying exposure.

Total Comprehensive Income

For the reasons discussed above, our total comprehensive income for the period increased by 84.12% from ₹ 2,274.34 million in the six months ended September 30, 2022 to ₹ 4,187.53 million in the six months ended September 30, 2023.

Fiscal 2023 Compared to Fiscal 2022

Income

Our total income, comprising revenue from operations and other income, increased by 21.19% from ₹ 28,741.55 million in Fiscal 2022 to ₹ 34,830.44 million in Fiscal 2023, primarily due to higher interest income owing to increase in our financial assets (owing to our lending activity) during Fiscal 2023.

The table below sets forth details in relation to our income for Fiscal 2022 and Fiscal 2023.

(in ₹ million, except percentages)

Income	Fiscal 2022	Fiscal 2023	Percentage Change
Revenue from Operations			
Interest income	27,132.21	33,738.27	24.35%
Fees and commission income	1,063.86	373.33	(64.91)%
Net gain/(loss) on fair value changes on derivatives	(14.73)	124.28	943.72%
Other operating income	417.65	583.87	39.80%
Total Revenue from Operations	**28,598.99**	**34,819.75**	**21.75%**
Other Income	142.56	10.70	(92.49)%
Total Income	**28,741.55**	**34,830.44**	**21.19%**

Revenue from Operations

Our revenue from operations increased by 21.75% from ₹ 28,598.99 million in Fiscal 2022 to ₹ 34,819.75 million in Fiscal 2023 for the reasons described below.

Interest income

Our interest income increased by 24.35% from ₹ 27,132.21 million in Fiscal 2022 to ₹ 33,738.27 million in Fiscal 2023 primarily due to the growth of our Term Loans Outstanding in Fiscal 2023.

- Our interest on loans from lending operations after rebate increased by 23.96% from ₹ 26,448.05 million in Fiscal 2022 to ₹ 32,786.31 million in Fiscal 2023. This was primarily due to the growth of our Term Loans Outstanding by 38.74%, from ₹ 339,306.06 million as of March 31, 2022 to ₹ 470,755.21 million as of March 31, 2023, driven significantly by increased lending to solar, wind and hydro projects.

- Our interest income on GoI securities increased from ₹ 19.74 million in Fiscal 2022 to ₹ 67.04 million in Fiscal 2023, primarily due to interest booking on the investments for the full year in Fiscal 2023, while the investment was for a partial period in Fiscal 2022.

- Our interest on deposit with banks increased from ₹ 115.11 million in Fiscal 2022 to ₹ 777.89 million in Fiscal 2023 primarily due to an increase in interest rates for the deposits and quantum of average deposits.

- Our differential interest income decreased by 80.85% from ₹ 548.86 million in Fiscal 2022 to ₹ 105.12 million in Fiscal 2023 primarily due to decrease in prepayments from borrowers from ₹ 46,881.73 million in Fiscal 2022 to ₹ 17,046.48 million in Fiscal 2023. We believe this benefits us since lower prepayment by borrowers ensures sustained income over the whole original tenure of a loan, based on which we assess our prospective cash flows and income.

Fees and commission income

Our fees and commission income decreased by 64.91% from ₹ 1,063.86 million in Fiscal 2022 to ₹ 373.33 million in Fiscal 2023. This decrease was due to the fact that fees and commission income in Fiscal 2022 included one-time income from application processing fee and success fee from the PLI scheme and the Central Public Sector Undertaking Scheme.

Net gain/(loss) on fair value changes on derivatives

Our net gain/ (loss) on fair value changes on derivatives increased from ₹ (14.73) million in Fiscal 2022 to net gain of ₹ 124.28 million in Fiscal 2023 primarily due to the mark to market valuation on derivative instruments undertaken by us for hedging foreign currency loans.

Other operating income

Other operating income increased by 39.80% from ₹ 417.65 million in Fiscal 2022 to ₹ 583.87 million in Fiscal 2023, primarily due to increase in the quantum of bad debts recovered from ₹ 113.89 million in Fiscal 2022 to ₹ 314.83 million in Fiscal 2023. This was owing to measures taken by us to improve our recovery and monitoring mechanism, resulting in higher recovery from bad debts. As a result, we were able to close or upgrade 18 non-performing project loan accounts in Fiscal 2023, with recovery of ₹ 2,024.30 million. This resulted in improvement in our GNPA from ₹ 17,682.54 million, or 5.21% of Term Loans Outstanding as of March 31, 2022 to ₹ 15,133.54 million, or 3.21% of Term Loans Outstanding as of March 31, 2023, and in NNPA from ₹ 10,353.90 million or 3.12% of Term Loans Outstanding as of March 31, 2022 to ₹ 7,680.24 million or 1.66% of Term Loans Outstanding as of March 31, 2023

Other Income

Our other income decreased by 92.49% from ₹ 142.56 million in Fiscal 2022 to ₹ 10.70 million in Fiscal 2023 since in Fiscal 2022, we had a one-time recovery of liquidated damages from an EPC consultant who we had engaged in connection with our 50 MW solar power plant in Kasargod, Kerala.

Expenses

Our total expenses increased by 14.87% from ₹ 20,403.15 million in Fiscal 2022 to ₹ 23,437.96 million in Fiscal 2023 for the reasons described below.

Finance Costs

Our finance costs increased by 31.58% from ₹ 15,872.51 million in Fiscal 2022 to ₹ 20,884.38 million in Fiscal 2023.

The table below sets forth details in relation to our finance costs for Fiscal 2022 and Fiscal 2023.

(in ₹ million, except percentages)

Finance Costs	Fiscal 2022	Fiscal 2023	Percentage Change
Interest on borrowings	7,033.29	11,888.04	69.03%
Interest on debt securities	7,168.18	7,467.00	4.17%
Interest on subordinated liabilities	525.45	525.45	0.00%
Other borrowings costs	1,115.18	982.45	(11.90)%
Transaction cost on borrowings	29.74	17.62	(40.75)%
Interest on lease liability	0.67	3.82	470.15%
Total Finance Cost	**15,872.51**	**20,884.38**	31.58%

Our interest on borrowings increased by 69.03% from ₹ 7,033.29 million in Fiscal 2022 to ₹ 11,888.04 million in Fiscal 2023. This was primarily due to our disbursement for Fiscal 2023 being significantly higher, at ₹ 216,392.07 million, compared to ₹ 160,708.22 million in Fiscal 2022, which required higher fund raising through long term bonds and term loans from banks and financial institutions. We had availed borrowings of ₹ 401,652.80 million as of March 31, 2023, compared to ₹ 276,130.72 million as of March 31, 2022. In Fiscal 2023, we raised funds amounting to ₹ 168,244.00 million, compared to ₹ 58,105.30 million in Fiscal 2022, which resulted in higher interest of borrowings, in addition to interest rates demonstrating upward movement in Fiscal 2023.

Our interest on debt securities increased by 4.17% from ₹ 7,168.18 million in Fiscal 2022 to ₹ 7,467.00 million in Fiscal 2023 primarily due to additional fund through new bond issuances amounting to ₹ 38,634.00 million in Fiscal 2023.

Our other borrowing costs decreased by 11.90% from ₹ 1,115.18 million in Fiscal 2022 to ₹ 982.45 million in Fiscal 2023 primarily due to reduction in GoI guarantee fees payment amount, owing to the partial repayments of foreign currency loans guaranteed by the GoI.

Our transaction costs decreased by 40.75% from ₹ 29.74 million in Fiscal 2022 to ₹ 17.62 million in Fiscal 2023 primarily due to amortisation of transaction cost incurred on the issuance of bonds.

Net translation/transaction exchange loss/gain

Our net translation/transaction exchange losses decreased by 47.64% from ₹ 458.90 million in Fiscal 2022 to ₹

240.26 million in Fiscal 2023 primarily due to favourable exchange fluctuations on foreign currency loans and repayment of foreign currency borrowings on that basis.

Impairment on financial assets

Our impairment on financial assets decreased by 62.99% from ₹ 1,798.98 million in Fiscal 2022 to ₹ 665.79 million in Fiscal 2023 primarily due to improvement in asset quality. Our Gross NPAs decreased from ₹ 17,682.54 million in as of March 31, 2022 to ₹ 15,133.54 million as of March 31, 2023. As of March 31, 2022, Stage-1 loans comprised 86.91% of our Term Loans Outstanding, compared to 93.34% as of March 31, 2023. Further, as of March 31, 2022, Stage-2 loans comprised 7.88% of our Term Loans Outstanding while they were 3.44% as of March 31, 2023.

Employee Benefit Expenses

Our employee benefit expenses increased by 7.27% from ₹ 588.18 million in Fiscal 2022 to ₹ 630.93 million in Fiscal 2023 primarily due to periodic increase in salary of our employees, which is linked to the annual increments and promotions, as well as increase in dearness allowance rates.

Depreciation, amortization and impairment

Our depreciation and amortization expenses remained relatively stable, at ₹ 232.43 million in Fiscal 2022, compared to ₹ 234.98 million in Fiscal 2023.

Other Expenses

Our other expenses decreased by 47.54% from ₹ 1,357.10 million in Fiscal 2022 to ₹ 711.88 million in Fiscal 2023 primarily due to reduction in rent, taxes and power from ₹ 876.88 million in Fiscal 2022 to ₹ 148.13 million in Fiscal 2023 as Fiscal 2022 included one-time provision for demand for service tax and GST on guarantee commission payable to the GoI.

Profit before tax

Our profit before tax increased by 36.63% from ₹ 8,338.40 million in Fiscal 2022 to ₹ 11,392.49 million in Fiscal 2023 for the reasons described above.

Tax Expenses

Our tax expenses increased by 37.10% from ₹ 2,003.13 million in Fiscal 2022 to ₹ 2,746.21 million in Fiscal 2023 primarily due to increase in profit and adjustment of deferred tax.

The table below sets forth details in relation to our tax expenses for Fiscal 2022 and Fiscal 2023.

(in ₹ million, except percentages)

Tax Expenses	Fiscal 2022	Fiscal 2023	Percentage Change
Income tax	3,111.96	2,531.73	(18.65)%
Deferred tax	(1,108.84)	214.48	(119.34)%
Total Tax Expenses	2,003.12	2,746.21	37.10%

Profit for the period

For the reasons discussed above, our profit for the period increased by 36.48% from ₹ 6,335.28 million in Fiscal 2022 to ₹ 8,646.28 million in Fiscal 2023.

Other Comprehensive Income

Our other comprehensive income increased by 50.21% from ₹ (777.97) million in Fiscal 2022 to ₹ (387.37) million in Fiscal 2023 primarily due to variation in mark to market valuation of the derivative hedge instruments undertaken by us to hedge our foreign currency borrowings, which are independently valued by a registered valuer. Exchange rate fluctuation on the foreign currency borrowings as well as change in interest rates had a corresponding impact on tax, based on the effective tax rate.

Total Comprehensive Income

For the reasons discussed above, our total comprehensive income for the period increased by 48.61% from ₹ 5,557.31 million in Fiscal 2022 to ₹ 8,258.91 million in Fiscal 2023.

Fiscal 2022 Compared to Fiscal 2021

Income

Our total income, comprising revenue from operations and other income, increased by 8.14% from ₹ 26,577.44 million in Fiscal 2021 to ₹ 28,741.55 million in Fiscal 2022 primarily due to higher interest income from the growth in our financial assets during Fiscal 2022.

The table below sets forth details in relation to our income for Fiscal 2021 and Fiscal 2022.

(in ₹ million, except percentages)

Income	Fiscal 2021	Fiscal 2022	Percent Change
Revenue from Operations			
Interest income	25,643.38	27,132.21	5.81%
Fees and commission income	337.73	1,063.86	215.00%
Net gain/(loss) on fair value changes on derivatives	(124.73)	(14.73)	88.19%
Other operating income	691.74	417.65	(39.62)%
Total Revenue from Operations	**26,548.12**	**28,598.99**	**7.73%**
Other Income	29.32	142.56	386.22%
Total Income	**26,577.44**	**28,741.55**	**8.14%**

Revenue from Operations

Our revenue from operations increased by 7.73% from ₹ 26,548.12 million in Fiscal 2021 to ₹ 28,598.99 million in Fiscal 2022 for the reasons described below.

Interest income

Our interest income increased by 5.81% from ₹ 25,643.38 million in Fiscal 2021 to ₹ 27,132.21 million in Fiscal 2022 primarily due to the growth of our Term Loans Outstanding in Fiscal 2022.

- Our interest on loans from lending operations after rebate has increased by 6.00% from ₹ 24,949.98 million in Fiscal 2021 to ₹ 26,448.05 million in Fiscal 2022 primarily due the growth of our loan portfolio in Fiscal 2022. Our Term Loans Outstanding increased by 21.82%, from ₹ 278,539.21 million as of March 31, 2021 to ₹ 339,306.06 million as of March 31, 2022, driven significantly by increased lending to solar projects, state utilities and hydro power projects.

- Our interest on deposit with banks decreased by 67.67% from ₹ 356.06 million in Fiscal 2021 to ₹ 115.11 million in Fiscal 2022 primarily due to a decrease in the applicable interest rate and quantum of average deposit.

- Our differential interest income increased by 72.16% from ₹ 318.80 million in Fiscal 2021 to ₹ 548.86 million in Fiscal 2022 primarily due to higher prepayments from our borrowers of ₹ 19,446.75 million in Fiscal 2021 compared to ₹ 46,881.73 million in Fiscal 2022.

Fees and commission income

Our fees and commission income increased by 215.00% from ₹ 337.73 million in Fiscal 2021 to ₹ 1,063.86 million in Fiscal 2022 primarily due to one-time application fee income from PLI and Central Public Sector Undertaking scheme in Fiscal 2022 being managed on behalf of the MNRE.

Net gain/(loss) on fair value changes on derivatives

Our net gain/ (loss) on fair value changes on derivatives decreased from ₹ (124.73 million) in Fiscal 2021 to ₹ (14.73 million) in Fiscal 2022 primarily due to mark to market valuations on derivative hedge instruments and exchange rate fluctuations.

Other operating income

Our other operating income decreased by 39.62% from ₹ 691.74 million in Fiscal 2021 to ₹ 417.65 million in Fiscal 2022, primarily owing to a decrease in bad debts recovered from ₹ 417.57 million in Fiscal 2021 to ₹ 113.89 million in Fiscal 2022. This was partially offset by an increase in revenue from solar operations by 3.91% from ₹ 274.17 million in Fiscal 2021 to ₹ 284.90 million in Fiscal 2022 primarily due to increase in power generation.

Other Income

Our other income increased by 386.22% from ₹ 29.32 million in Fiscal 2021 to ₹ 142.56 million in Fiscal 2022 primarily due to recovery of liquidated damages from an EPC consultant whom we had previously appointed with respect to our 50 MW solar power plant.

Expenses

Our total expenses decreased by 2.29% from ₹ 20,882.28 million in Fiscal 2021 to ₹ 20,403.15 million in Fiscal 2022 for the reasons described below.

Finance Costs

Our finance costs increased by 1.08% from ₹ 15,702.62 million in Fiscal 2021 to ₹ 15,872.51 million in Fiscal 2022 for the reasons described below.

The table below sets forth details in relation to our finance costs for Fiscal 2021 and Fiscal 2022.

(in ₹ million, except percentages)

Finance Costs	Fiscal 2021	Fiscal 2022	Percentage Change
Interest on borrowings	6,676.17	7,033.29	5.35%
Interest on debt securities	7,229.64	7,168.18	(0.85)%
Interest on subordinated liabilities	486.22	525.45	8.07%
Other borrowings costs	1,282.19	1,115.18	(13.03)%
Transaction cost on borrowings	27.61	29.74	7.71%
Interest on lease liability	0.79	0.67	(15.19)%
Total Finance Cost	**15,702.62**	**15,872.51**	1.08%

Our interest on borrowings increased by 5.35% from ₹ 6,676.17 million in Fiscal 2021 to ₹ 7,033.29 million in Fiscal 2022 primarily due to higher interest rates and increase in quantum of borrowings to meet our disbursement requirements.

Our interest on debt securities decreased by 0.85% from ₹ 7,229.64 million in Fiscal 2021 to ₹ 7,168.18 million in Fiscal 2022 primarily due to redemption of bonds.

Our interest on subordinated liabilities increased by 8.07% from ₹ 486.22 million in Fiscal 2021 to ₹ 525.45 million in Fiscal 2022 primarily due to fresh issuance of subordinated debt for ₹ 5,000 million.

Our other borrowing costs decreased by 13.03% from ₹ 1,282.19 million in Fiscal 2021 to ₹ 1,115.18 million in Fiscal 2022 primarily due to reduction in guarantee fees on account of partial repayment of a sovereign guarantee foreign currency loan.

Our transaction costs increased by 7.71% from ₹ 27.61 million in Fiscal 2021 to ₹ 29.74 million in Fiscal 2022 primarily due to amortisation of transaction costs.

Net translation/transaction exchange loss/gain

Our net translation/transaction exchange losses decreased by 34.30% from ₹ 698.47 million in Fiscal 2021 to ₹ 458.90 million in Fiscal 2022 primarily due to favourable exchange rate movement and repayment of foreign currency loans.

Impairment on financial instruments

Our impairment on financial instruments decreased by 47.34% from ₹ 3,416.45 million in Fiscal 2021 to ₹

1,798.98 million in Fiscal 2022 primarily due to upgradation of certain loan accounts from Stage-3 to Stage-1 (NPA to Standard) assets.

Employee Benefit Expenses

Our employee benefit expenses increased by 24.19% from ₹ 473.60 million in Fiscal 2021 to ₹ 588.18 million in Fiscal 2022 primarily due to periodic increase in salaries and dearness allowances.

Depreciation, amortization and impairment

Our depreciation and amortization expenses increased marginally by 2.51% from ₹ 226.74 million in Fiscal 2021 to ₹ 232.43 million in Fiscal 2022 in the ordinary course of business.

Other Expenses

Our other expenses increased from ₹ 200.24 million in Fiscal 2021 to ₹ 1,357.10 million in Fiscal 2022 primarily due to a one-time expense on service tax and GST on guarantee commission paid to the GoI.

Profit before tax

Our profit before tax increased by 46.41% from ₹ 5,695.16 million in Fiscal 2021 to ₹ 8,338.40 million in Fiscal 2022 for the reasons described above.

Tax Expenses

Our tax expenses decreased by 10.22% from ₹ 2,231.10 million in Fiscal 2021 to ₹ 2,003.12 million in Fiscal 2022 primarily due to deferred tax assets arising in respect of provision for indirect tax liability and others on guarantee commission and impairment provisions.

The table below sets forth details in relation to our tax expenses for Fiscal 2021 and Fiscal 2022.

(amounts in ₹millions, except percentages)

Tax Expenses	Fiscal 2021	Fiscal 2022	Percent Change
Current tax	2,916.23	3,111.96	6.71%
Deferred tax	(685.13)	(1,108.84)	61.84%
Total Tax Expenses	2,231.10	2,003.12	(10.22)%

Profit for the period

For the reasons discussed above, our profit for the period increased by 82.90% from ₹ 3,463.81 million in Fiscal 2021 to ₹ 6,335.28 million in Fiscal 2022.

Other Comprehensive Income

Our other comprehensive income increased by 68.53% from ₹ (2,472.35 million) in Fiscal 2021 to ₹ (777.97 million) in Fiscal 2022 primarily due to variation in mark to market valuation of the derivative hedge instruments undertaken by us to hedge our foreign currency borrowings, which are independently valued by a registered valuer. Exchange rate fluctuation on the foreign currency borrowings as well as change in interest rates had a corresponding impact on tax, based on the effective tax rate.

Total Comprehensive Income

For the reasons discussed above, our total comprehensive income for the period increased from ₹ 991.46 million in Fiscal 2021 to ₹ 5,557.31 million in Fiscal 2022.

Liquidity and Capital Resources

Our primary liquidity requirements have been, and will continue to be, for providing loans to customers, meeting our working capital requirements and repaying our borrowings. Surplus funds, if any, are invested in accordance with our investment policy. We actively monitor our liquidity position to meet our customers' requirements, while also meeting our lenders' requirements, and factoring in debt service requirements, operating expenses, statutory payments and other foreseeable payments.

Pursuant to the RBI circular dated November 4, 2019, on 'Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies', all non-deposit taking NBFCs with asset size of ₹ 100 billion and above, and all deposit taking NBFCs irrespective of their asset size, are required to maintain a liquidity buffer in terms of liquidity coverage ratio which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient high quality liquid asset to survive any acute liquidity stress scenario lasting for 30 days. The liquidity coverage ratio requirement is binding on NBFCs from December 1, 2020 with the minimum high quality liquid assets to be held being 50% of the liquidity coverage ratio, progressively reaching up to the required level of 100% by December 1, 2024, in accordance with the time-line prescribed below:

By December 1, 2021		**By December 1, 2022**		**By December 1, 2023**	**By December 1, 2024**
Regulatory requirement	**Our LCR[1]**	**Regulatory requirement**	**Our LCR[1]**	**Regulatory requirement**	**Regulatory requirement**
60%	552.00%	70%	1,194.00%	85%	100.00%

[1] *For the third quarter of the respective Fiscal.*

We have met our liquidity needs primarily from our borrowings (including issuance of bonds) and to a lesser extent from our cash flows from operations. As on March 31, 2023, we had ₹ 19,300.00 million of unutilised short term loans tied up with banks and ₹ 80,491.08 million of unutilised term loan facilities tied up with banks and financial institutions, in both rupee and foreign currency.

We maintain diverse sources of funding to facilitate flexibility in meeting our liquidity requirements. Our borrowings primarily include bonds issued in both the Indian domestic market and international markets, term loans obtained from various domestic and international financial institutions. Our total finance cost (excluding exchange rate fluctuation gain or loss) for Fiscal 2021, 2022, 2023 and the six months ended September 30, 2022 and September 30, 2023 was ₹ 15,702.62 million, ₹ 15,872.51 million, ₹ 20,884.38 million, ₹ 9,272.47 million and ₹ 15,568.97 million, respectively, and comprised 59.15%, 55.50%, 59.98%, 58.79% and 67.11% of our revenue from operations in the respective periods. For further information, see "*Financial Indebtedness*" and "*Our Business – Our Sources of Funding*" on pages 567 and 245, respectively.

We expect to meet our working capital needs and liquidity requirements for the next 12 months from the cash flows from our borrowings and from operations.

Capital Adequacy

The table below sets out our capital to risk-weighted assets ratio as of March 31, 2021, 2022 and 2023 and as of September 30, 2022 and 2023.

(in ₹ million, except percentages)

	As of/ For the year ended March 31,			**Six months ended September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
Paid up capital	7,846.00	22,846.00	22,846.00	22,846.00	22,846.00
Reserve and surplus	22,110.00	29,835.13	36,505.69	33,537.12	42,960.12
Tier 1 Capital	27,840.78	48,145.15	54,895.62	52,171.03	62,973.78
Tier 2 Capital	9,095.32	9,911.78	10,860.62	9,781.07	9,888.22
Total Capital	36,936.10	58,056.93	65,756.24	61,952.10	72,862.00
Tier 1 Capital Adequacy Ratio %	12.91%	17.60%	15.71%	19.83%	18.08%
Tier 2 Capital Adequacy Ratio %	4.21%	3.62%	3.11%	3.72%	2.84%
Capital adequacy ratio (CRAR) %	17.12%	21.22%	18.82%	23.55%	20.92%

Summary of Cash flows

As of September 30, 2023, we had cash and cash equivalents (as per our restated cash flow statement) of ₹ 3,602.39 million. Cash and cash equivalents primarily consist of cash on hand and balances with banks in current accounts and fixed deposits with banks (original maturity less than three months). As our business involves borrowing funds and on-lending such funds to our customers in the form of loan products, we may experience timing differences between receipt of funds and on- lending of such funds. These timing differences result in on-going, but temporary cash balances on our books. Our Asset Liability Committee plays an active role in monitoring and managing these asset-liability mismatches.

The table below sets forth selected information from our statements of cash flows in the periods indicated below.

(amounts in ₹ million)

	For the year ended March 31,			Six months ended September 30,	
	2021	2022	2023	2022	2023
Cash flow from operating activities	(32,591.40)	(52,541.18)	(123,430.79)	(5,367.24)	2,860.06
Cash flow from investing activities	(20.98)	(1,071.21)	(172.09)	(23.10)	(56.93)
Cash flow from financing activities	24,411.78	52,713.96	123,676.43	27,541.75	(586.05)
Net increase/(decrease) in cash and cash equivalents	(8,200.61)	(898.43)	73.56	22,151.42	2,217.08
Cash and cash equivalents at the beginning of the period	10,410.78	2,210.18	1,311.75	1,311.75	1,385.31
Cash and cash equivalents at the end of the period	2,210.18	1,311.75	1,385.31	23,463.16	3,602.39

Note: Cash flow from operating activities primarily comprises cash generation from operating activities which also includes outflow on account of term loans given to the borrowers.

Operating Activities

Six months ended September 30, 2023

Net cash flows generated from operating activities was ₹ 2,860.06 million for the six months ended September 30, 2023. While our profit before tax was ₹ 8,194.34 million, we had an operating profit before changes in operating assets/ liabilities of ₹ 6,783.78 million. This was primarily due to impairment of financial assets of ₹ (1,143.75) million and net translation/ transaction exchange loss of ₹ 300.49 million. Our changes in operating assets/ liabilities for the six months ended September 30, 2023 primarily consisted of an increase in loans of ₹ 4,512.49 million, and decrease in bank balances other than cash and cash equivalents of ₹ 2,864.44 million.

Six months ended September 30, 2022

Net cash flows used in operating activities was ₹ 5,367.24 million for the six months ended September 30, 2022. While our profit before tax was ₹ 6,161.67 million, we had an operating profit before changes in operating assets/ liabilities of ₹ 6,225.92 million. This increase was primarily due to addition of non-cash items such as depreciation and amortization expenses of ₹ 114.70 million and net gain on fair value changes on derivatives of ₹ 100.68 million. Our changes in operating assets/ liabilities for Fiscal 2023 primarily consisted of decrease in bank balances other than cash and cash equivalents of ₹ 16,494.56 million.

Fiscal 2023

Net cash flows used in operating activities was ₹ 123,430.79 million for Fiscal 2023. While our profit before tax was ₹ 11,392.49 million, we had an operating profit before changes in operating assets/ liabilities of ₹ 13,423.19 million. This increase was primarily due to addition of non-cash items such as depreciation and amortization expenses of ₹ 234.98 million, impairment of financial assets of ₹ 665.79 million and effective interest rate on loans of ₹ 646.81 million. Our changes in operating assets/ liabilities for Fiscal 2023 primarily consisted of an increase in loans of ₹ 131,329.92 million on account of increased loan disbursals to our customers.

Fiscal 2022

Net cash flows used in operating activities was ₹ 52,541.18 million for Fiscal 2022. While our profit before tax was ₹ 8,338.40 million, we had an operating profit before changes in operating assets/ liabilities of ₹ 12,211.01 million. This increase was primarily due to addition of non-cash items such as depreciation and amortization expenses of ₹ 232.43 million, impairment of financial assets of ₹ 1,798.98 million and effective interest rate on loans of ₹ 296.78 million, while our provision for indirect tax and others was ₹ 741.11 million. Our changes in operating assets/ liabilities for Fiscal 2022 primarily consisted of an increase in loans of ₹ 61,269.02 million on account of increased loan disbursals to our customers.

Fiscal 2021

Net cash flows used in operating activities was ₹ 32,591.40 million for Fiscal 2021. While our profit before tax was ₹ 5,695.16 million, we had an operating profit before changes in operating assets/ liabilities of ₹ 10,332.34 million. This change was primarily due to impairment of financial assets of ₹ 3,416.45 million, net translation/ transaction exchange loss of ₹ 698.47 million and depreciation and amortization expenses of ₹ 226.74 million. Our changes in operating assets/ liabilities for Fiscal 2021 primarily consisted of an increase in loans of ₹

41,476.30 million on account of increased loan disbursals to our customers.

Investing Activities

Six months ended September 30, 2023

Net cash used in investing activities was ₹ 56.93 million in the six months ended September 30, 2023, primarily on account of advance for capital expenditure/ capital work in progress of ₹ 25.02 million and purchase of property, plant and equipment of ₹ 32.65 million.

Six months ended September 30, 2022

Net cash used in investing activities was ₹ 23.10 million in the six months ended September 30, 2022, primarily on account of purchase of right to use assets of ₹ 11.42 million and purchase of property, plant and equipment of ₹ 6.98 million.

Fiscal 2023

Net cash used in investing activities was ₹ 172.09 million in Fiscal 2023, primarily on account of advance for capital expenditure/ capital work in progress of ₹ 109.31 million owing to the expenses incurred on our office in Chennai and on our solar power project in Kasargod. Further, this was also on account of purchase of property, plant and equipment of ₹ 46.27 million, comprising purchase of computers and vehicles for operations, among others.

Fiscal 2022

Net cash used in investing activities was ₹ 1,071.21 million in Fiscal 2022, primarily on account of investment in securities of ₹ 990.28 million and purchase of property, plant and equipment of ₹ 50.18 million.

Fiscal 2021

Net cash used in investing activities was ₹ 20.98 million in Fiscal 2021, primarily on account of purchase of property, plant and equipment of ₹ 19.49 million.

Financing Activities

Six months ended September 30, 2023

Net cash used in financing activities was ₹ 586.05 million in the six months ended September 30, 2023 on account of raising of loans other than debt securities (net of repayments) of ₹ 7,578.06 million, which was partially offset by issue of debt securities (net of redemption) of ₹ 6,993.32 million.

Six months ended September 30, 2022

Net cash generated from financing activities was ₹ 27,541.75 million in the six months ended September 30, 2022 on account of raising of loans other than debt securities (net of repayments) of ₹ 12,058.97 million as well as issue of debt securities (net of redemption) of ₹ 15,484.00 million.

Fiscal 2023

Net cash generated from financing activities was ₹ 123,676.43 million in Fiscal 2023 on account of raising of loans other than debt securities of ₹ 107,551.15 million and issue of debt securities (net of redemption) of ₹ 16,127.81 million.

Fiscal 2022

Net cash generated from financing activities was ₹ 52,713.97 million in Fiscal 2022 on account of raising of loans other than debt securities of ₹ 36,662.09 million and equity contribution of ₹ 15,000.00 million, which was owing to GoI infusion of funds.

Fiscal 2021

Net cash generated from financing activities was ₹ 24,411.78 million in Fiscal 2021 on account of raising of loans other than debt securities of ₹ 20,917.76 million and raising of subordinated liabilities (net of redemption) of ₹ 5,000.00 million.

Financial Condition

The table below sets forth details in relation to our net assets as of the dates indicated below.

(in ₹ million)

	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Total assets (A)	302,933.91	367,084.05	504,469.83	404,774.39	512,564.91
Total liabilities (B)	272,977.91	314,402.92	445,118.14	348,391.27	446,758.79
Net assets (A-B)	**29,956.00**	**52,681.13**	**59,351.69**	**56,383.12**	**65,806.12**

Assets

The table below sets forth details in relation to the principal components of our assets as of the dates indicated below.

(in ₹ million)

Assets	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Financial Assets:					
(a) Cash and cash equivalents	2,210.18	1,311.75	1,385.31	23,463.16	3,602.39
(b) Bank balances other than (a) above	3,822.92	3,955.19	8,162.39	20,449.76	11,026.85
(c) Derivative financial instruments	4,030.90	3,983.30	5,740.52	4,537.08	4,516.44
(d) Trade Receivables	29.70	45.27	49.14	30.50	39.75
(e) Loans	269,056.43	331,744.48	462,269.24	329,417.51	467,128.84
(f) Investments	-	992.68	993.03	992.85	993.20
(g) Other financial assets	227.95	318.20	318.06	307.27	311.31
Total Financial Assets:	**279,378.08**	**342,350.87**	**478,917.69**	**379,198.13**	**487,618.78**
Non-Financial Assets					
(a) Current tax assets (net)	1,084.60	1,298.45	1,439.24	2,027.32	1,648.50
(b) Deferred tax assets (net)	2,109.92	3,220.59	3,010.02	2,876.49	2,640.04
(c) Investment property	0.43	0.36	0.30	0.33	0.27
(d) Plant, property and equipment	2,463.78	2,301.07	2,128.43	2,201.61	2,046.55
(e) Capital work-in-progress	0.09	1,283.33	1,392.63	1,287.89	124.86
(f) Right of use asset	196.18	176.53	158.58	167.56	1,430.54
(g) Intangible assets under development	-	31.12	48.56	42.54	48.56
(h) Intangible assets	1.06	0.45	0.14	0.46	0.12
(i) Other non-financial assets	17,694.43	16,421.28	17,374.24	16,972.06	17,006.69
(j) Investment accounting using equity method	5.34	-	-	-	-
Total Non-Financial Assets	**23,555.83**	**24,733.18**	**25,552.14**	**25,576.26**	**24,946.13**
Total Assets	**302,933.91**	**367,084.05**	**504,469.83**	**404,774.39**	**512,564.91**

Financial assets

Our financial assets comprise (a) cash and cash equivalents, (b) bank balances other than (a), (c) derivative financial instruments, (d) trade receivables, (e) loans, (f) investments, and (g) other financial assets.

Our financial assets increased by 22.54% from ₹ 279,378.08 million as of March 31, 2021 to ₹ 342,350.87 million as of March 31, 2022. Our financial assets increased further, by 39.89% from ₹ 342,350.87 million as of March 31, 2022 to ₹ 379,198.13 million as of September 30, 2022, ₹ 478,917.69 million as of March 31, 2023, and by 1.82% thereafter to ₹ 487,618.78 million as of September 30, 2023. This increase is primarily due to an increase in our disbursement levels, reflecting an increase in our Term Loans Outstanding.

Cash and cash equivalents: Our cash and cash equivalents decreased by 40.65% from ₹ 2,210.18 million as of

March 31, 2021 to ₹ 1,311.75 million as of March 31, 2022, primarily due to decrease in balance in current accounts with banks and cooperation with various banks with regard to overdraft and short term loan facilities. Our cash and cash equivalents subsequently increased from ₹ 1,311.75 million as of March 31, 2022 to ₹ 23,463.16 million as of September 30, 2022, on account of half year end deposits and balances with banks. Cash and cash equivalents thereafter decreased to ₹ 1,385.31 million as of March 31, 2023 in line with operational requirements. Cash and cash equivalents increased to ₹ 3,602.39 million as of September 30, 2023, primarily due to amounts drawn under the foreign currency lines of credit which have been kept in foreign currency deposits, leading to increase in foreign currency deposits.

Bank balances: Our bank balances other than cash and cash equivalents increased by 3.46% from ₹ 3,822.92 million as of March 31, 2021 to ₹ 3,955.19 million as of March 31, 2022 primarily due to increase in period end balance of MNRE related accounts. Subsequently, our bank balances increased to ₹ 20,449.76 million as of September 30, 2022, primarily due to fund-raising for repayment of masala bonds due in October 2022. Our bank balances thereafter decreased to ₹ 8,162.39 million as of March 31, 2023 but increased to ₹ 11,026.85 million as of September 30, 2023, primarily due to increase in period end balances of MNRE related accounts.

Derivative financial instruments: Our derivative financial instruments decreased by 1.18% from ₹ 4,030.90 million as of March 31, 2021 to ₹ 3,983.30 million as of March 31, 2022 primarily due to change in marked to market valuations of hedging deals undertaken to hedge the underlying exposure. Our derivative financial instruments increased by 13.90% from ₹ 3,983.30 million as of March 31, 2022 to ₹ 4,537.08 million as of September 30, 2022, on account of change in mark to market valuations of derivative instruments undertaken to hedge the underlying exposure. Derivative financial instruments increased to ₹ 5,740.52 million as of March 31, 2023 primarily due to change in mark to market valuations of derivative hedge instruments undertaken to hedge the underlying exposure. Subsequently, derivative financial instruments decreased by 21.32% to ₹ 4,516.44 million as of September 30, 2023 owing to change in mark to market valuations of derivative instruments undertaken to hedge the underlying exposure.

Loans: Our loans increased by 23.30% from ₹ 269,056.43 million as of March 31, 2021 to ₹ 331,744.48 million as of March 31, 2022 primarily due to increase in disbursements. Our loans decreased marginally, by 0.70%, to ₹ 329,417.51 million as of September 30, 2022 due to lower disbursements. However, our loans subsequently increased by 40.33% to ₹ 462,269.24 million as of March 31, 2023 and further by 1.05% to ₹ 467,128.84 million as of September 30, 2023, primarily due to an increase in our annual disbursement, which further reflects an increase in our Term Loans Outstanding.

Investments: Our investments increased from nil as of March 31, 2021 to ₹ 992.68 million as of March 31, 2022 primarily due to investments of funds in GoI securities for maintenance of LCR as prescribed by the RBI. Our investments remained stable, at ₹ 992.85 million as of September 30, 2022 and increased marginally to ₹ 993.03 million as of March 31, 2023 and to ₹ 993.20 million as of September 30, 2023.

Other financial assets: Our other financial assets increased by 39.59% from ₹ 227.95 million as of March 31, 2021 to ₹ 318.20 million as of March 31, 2022 primarily due to advances to employees and receivables from the GEF MNRE UNIDO project. Our other financial assets decreased marginally to ₹ 307.27 million as of September 30, 2022 and increased to ₹ 318.06 million as of March 31, 2023. Other financial assets subsequently marginally decreased to ₹ 311.31 million as of September 30, 2023.

Non-financial assets

Our non-financial assets comprise (a) current tax assets (net), (b) deferred tax assets (net), (c) investment property, (d) property, plant and equipment, (e) capital work-in-progress, (f) right of use asset, (g) intangible assets under development, (h) intangible assets, (i) other non-financial assets, and (j) investment accounted for using the equity method.

Our non-financial assets increased by 5.00% from ₹ 23,555.83 million as of March 31, 2021 to ₹ 24,733.18 million as of March 31, 2022. Our non-financial assets increased to ₹ 25,576.26 million as of September 30, 2022, primarily on account of increase in current tax assets (net) by ₹ 728.87 million. Our non-financial assets were ₹ 25,552.14 million as of March 31, 2023 and decreased by 2.37% to ₹ 24,946.13 million as of September 30, 2023, primarily due to a decrease in deferred tax assets (net) by ₹ 369.98 million and capital work-in-progress by ₹ 1,267.77 million.

Liabilities and Equity

The table below sets forth details in relation to the principal components of our liabilities and equity as of the dates indicated below.

(in ₹ million)

Liabilities and Equity	As of March 31,			As of September 30,	
	2021	2022	2023	2022	2023
Liabilities					
Financial liabilities					
(a) Derivative financial instruments	918.32	1,825.75	1,514.68	4,511.06	1,733.79
(b) Payables					
(I) Trade Payables					
(i) total outstanding dues of micro enterprises and small enterprises	4.35	6.23	2.53	0.60	1.96
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	216.60	41.42	42.33	18.88	341.15
(c) Debt Securities	91,202.61	92,291.38	108,432.83	107,787.47	115,426.98
(d) Borrowings (Other than Debt Securities)	142,305.51	177,346.74	286,726.64	188,023.20	276,581.22
(e) Subordinated Liabilities	6,491.92	6,492.60	6,493.33	6,492.96	6,493.73
(f) Other financial liabilities	8,630.25	8,360.04	13,354.34	14,594.46	17,793.05
Total financial liabilities	**249,769.56**	**286,364.16**	**416,566.67**	**321,428.63**	**418,371.88**
(a) Provisions	6,024.59	10,559.66	11,181.58	9,440.30	10,397.07
(b) Other non-financial liabilities	17,183.76	17,479.10	17,369.89	17,522.34	17,989.84
Total non-financial liabilities	**23,208.35**	**28,038.76**	**28,551.47**	**26,962.64**	**28,386.91**
Equity					
(a) Equity Share Capital	7,846.00	22,846.00	22,846.00	22,846.00	22,846.00
(b) Other Equity	22,110.00	29,835.13	36,505.69	33,537.12	42,960.12
Total Equity	**29,956.00**	**52,681.13**	**59,351.69**	**56,383.12**	**65,806.12**
Total liabilities and equity	**302,933.91**	**367,084.05**	**504,469.83**	**404,774.39**	**512,564.91**

Financial liabilities

Our financial liabilities comprise (a) derivative financial instruments, (b) payables, (c) debt securities, (d) borrowings (other than debt securities), (e) subordinated liabilities, and (f) other financial liabilities.

Our financial liabilities increased by 14.65% from ₹ 249,769.56 million as of March 31, 2021 to ₹ 286,364.16 million as of March 31, 2022 and further to ₹ 321,428.63 million as of September 30, 2022. Our financial liabilities increased further by 29.60% to ₹ 416,566.67 million as of March 31, 2023, and further to ₹ 418,371.88 million as of September 30, 2023. The increase was primarily due to fund raising done during the year through the issuance of bonds and raising term loans from banks and financial institutions in order to meet our disbursement requirements.

Derivative financial instruments: Our derivative financial instruments increased by 98.81% from ₹ 918.32 million as of March 31, 2021 to ₹ 1,825.75 million as of March 31, 2022 primarily due to change in mark to market valuation of derivative hedge instruments. Our derivative financial instruments increased to ₹ 4,511.06 million as of September 30, 2022. Subsequently, our derivative financial instruments subsequently decreased by 66.42% to ₹ 1,514.68 million as of March 31, 2023 but increased by 14.47% to ₹ 1,733.79 million as of September 30, 2023, each on account of changes in mark to market valuation of hedge instruments.

Payables: Our payables include trade payables outstanding from (i) micro enterprises and small enterprises and (ii) from creditors other than micro enterprises and small enterprises. Our payables decreased by 78.43% from ₹ 220.95 million as of March 31, 2021 to ₹ 47.65 million as of March 31, 2022 primarily due to payment of ₹ 162.50 million related to capital expenditure. While our payables decreased to ₹ 19.48 million as of September 30, 2022, our payables increased to ₹ 44.86 million as of March 31, 2023 and subsequently to ₹ 343.11 million as of September 30, 2023 owing to additional guarantee fee payable to the GoI and the commitment fee payable on account of the undrawn portion of the foreign currency lines of credit.

Debt securities: Our debt securities increased by 1.19% from ₹ 91,202.61 million as of March 31, 2021 to ₹

92,291.38 million as of March 31, 2022 primarily due to issuance of unsecured taxable bonds. Our debt securities further increased by 16.79% to ₹ 107,787.47 million as of September 30, 2022 on account of issuance of unsecured taxable bonds to fund our disbursement requirements. Our debt securities increased to ₹ 108,432.83 million as of March 31, 2023 and further to ₹ 115,426.98 million as of September 30, 2023 primarily due to fund raising through the issuance of bonds to meet disbursement requirements.

Borrowings: Our borrowings (other than debt securities) increased by 24.62% from ₹ 142,305.51 million as of March 31, 2021 to ₹ 177,346.74 million as of March 31, 2022 primarily due to an increase in borrowings in light of funds raised by means of loans from banks and financial institutions to meet our disbursement requirement of ₹ 160,708.22 million in Fiscal 2022. Our borrowings (other than debt securities) increased further to ₹ 188,023.20 million as of September 30, 2022 owing to increase in borrowings in light of funds raised by means of loans from banks and financial institutions to meet our disbursement requirement. Our borrowings (other than debt securities) increased by 52.50% to ₹ 286,726.64 million as of March 31, 2023 primarily due to funds raised from banks and financial institutions to meet our disbursement requirement of ₹ 216,392.07 million in Fiscal 2023. Borrowings (other than debt securities) decreased by 3.54% to ₹ 276,581.22 million as of September 30, 2023, primarily as a result of repayment of existing borrowings from the banks and financial institutions and no significant new borrowings.

Subordinated liabilities: Our subordinated liabilities increased nominally by 0.01% from ₹ 6,491.92 million as of March 31, 2021 to ₹ 6,492.60 million as of March 31, 2022, and to ₹ 6,492.96 million as of September 30, 2022. Our subordinated liabilities increased further to ₹ 6,493.33 million as of March 31, 2023 due to amortisation of transaction cost as per Ind AS and was ₹ 6,493.73 million as of September 30, 2023

Other financial liabilities: Our other financial liabilities decreased by 3.13% from ₹ 8,630.25 million as of March 31, 2021 to ₹ 8,360.04 million as of March 31, 2022 primarily due to release of GBI incentives pertaining to the borrowers. Our other financial liabilities increased by 74.57% to ₹ 14,594.46 million as of September 30, 2022 owing to MNRE scheme-related balances. Other financial liabilities decreased to ₹ 13,354.34 million as of March 31, 2023 but increased subsequently to ₹ 17,793.05 million as of September 30, 2023, primarily due to funds received for various MNRE schemes.

Non-financial liabilities

Our non-financial liabilities includes (a) provisions, and (b) other non-financial liabilities.

Our other non-financial liabilities increased by 1.72% from ₹ 17,183.76 million as of March 31, 2021 to ₹ 17,479.10 million as of March 31, 2022 primarily due to impairment provisioning in respect of Stage-1 and Stage-2 accounts. Our non-financial liabilities increased marginally to ₹ 17,522.34 million as of September 30, 2022. Our non-financial liabilities decreased by 0.87% to ₹ 17,369.89 million as of March 31, 2023 primarily owing to impairment provisioning in respect of Stage-1 and Stage-2 accounts. Subsequently, our non-financial liabilities increased by 3.57% to ₹ 17,989.84 million as of September 30, 2023 primarily due to increase in equivalent liability on interest capitalisation.

Equity

Our equity includes (a) equity share capital and (b) other equity.

Our equity increased by 75.86% from ₹ 29,956.00 million as of March 31, 2021 to ₹ 52,681.13 million as of March 31, 2022 primarily due to an equity infusion of ₹ 15,000 million from the GoI and increase in profits. This increased further to ₹ 56,383.12 million as of September 30, 2022 due to an increase in other equity as a result of increase in retained earnings during the period. Our equity increased by 5.26% to ₹ 59,351.69 million as of March 31, 2023 and further to ₹ 65,806.12 million as of September 30, 2023, primarily due to retained earnings for the period.

Quantitative Disclosure

Our Company's activities expose us to market risk, liquidity risk, interest rate risk, foreign currency risk and credit risk. For further information on our risk management measures, see *"Our Business – Risk Management"* beginning on page 254.

Credit Risk

Credit risk is the inherent risk in lending operations and arises from lowering of the credit quality of borrowers and the risk of default in repayments by borrowers. A robust credit appraisal system is in place for appraisal of projects in order to assess credit risk.

Our appraisal process assesses key parameters spanning sponsor support, borrower creditworthiness and history, technological specifications/performance of the project, working capital funding arrangement, offtake agreement, and other statutory compliances, among others.

Each loan proposal under consideration is graded using our proprietary Credit Risk Rating System, which captures risk-based data points. In addition, every credit appraisal undergoes an independent financial concurrence to validate the project viability model, compliances and other relevant documentation. Based on the recommendations of the screening committee and financial concurrence, the final appraisal agenda with detailed terms and conditions is put up for approval before the sanctioning authority.

We limit our sectoral exposures to create sustainable debt. Further, we measure, monitor and manage credit risk at an individual borrower level and at the portfolio level. We have strengthened our credit risk management framework by adhering to RBI mandated prudential norms on provisioning of stressed assets and have adopted a stringent approach towards provisioning. We follow a three-stage model for impairment losses based on changes in credit quality since initial recognition, as determined in accordance with Ind AS 109.

We attempt to mitigate credit risk related to borrowers by receiving security from borrowers. Loans are secured by (i) hypothecation of assets, (ii) mortgage of property, (iii) trust and retention accounts, (iv) bank guarantees, company guarantees or personal guarantees, (v) assignment of receivables or rights, (vi) pledge of shares, (vii) undertaking to create a security.

An assessment of whether credit risk has increased significantly since initial recognition is performed at each reporting date by considering the change in the risk of default occurring over the remaining life of the financial instrument. In determining whether the risk of default has increased significantly since initial recognition, we consider more than 30 days overdue as a parameter.

Liquidity Risk

Liquidity risk is the inability to meet short term and long term liabilities as and when they become due. Liquidity is monitored by liquidity gap analysis. The liquidity risk is managed by a number of strategies such as short term and long term resource raising based on projected disbursement and maturity profile.

We monitor forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows (including interest income and interest expense). We have an Asset Liability Committee to ensure that we appropriately manage risks relating to liquidity, currency, interest rates, and asset-liability mismatch. We maintain satisfactory levels of liquidity to ensure that we have sufficient funds to meet our commitments. We consistently monitor liquidity risks through liquidity gap analysis. We also maintain high-quality liquid assets in the form of investment in GoI securities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Our Asset Liability Management Policy aims to align risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities.

Market Risk

Market risk is the possibility of loss mainly due to fluctuation in interest rates and foreign currency exchange rates. To mitigate the lending interest rate risk, we have a committee which periodically reviews its lending rates based on market conditions, ongoing interest rates of the peers and incremental cost of borrowings.

Our borrowings comprise of both floating rate and fixed rate borrowings linked to benchmark rates, as applicable. For the foreign currency borrowings, we mitigate the risk due to floating interest rate by entering into hedging arrangements. Further, we periodically monitor the floating rate-linked portfolio.

The foreign exchange borrowings from overseas lending agencies exposes us to foreign currency exchange rate movement risk. As of September 30, 2023, our outstanding foreign currency borrowings from multilateral and bilateral institutions was ₹ 96,857.68 million. These loans have a typical maturity period ranging from 12 years to 40 years from the date of disbursement and bear a fixed and floating interest rate.

As per our internal policy, we mitigate the foreign currency exchange rate risk by undertaking various derivative instruments to hedge the risk such as principal-only swaps, currency and interest rate swaps (derivatives transactions), forward contracts, among others. These derivative contracts carried at fair value, have varying maturities depending upon the underlying contract requirement and our risk management strategy.

As of September 30, 2023, we had foreign currency borrowings of ₹ 96,857.68 million. We may seek to obtain additional foreign currency borrowings in the future. As of September 30, 2023, ₹ 48,398.90 million (approximately 49.97% of our total foreign currency borrowings outstanding) was denominated in U.S. dollars, ₹ 17,031.36 million (approximately 17.58% of our total foreign currency borrowings outstanding) was denominated in Euros and ₹ 31,427.42 million (approximately 32.45% of our total outstanding foreign currency borrowings outstanding) was denominated in Japanese Yen.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates to the long-term foreign currency loans and domestic bank loans with floating interest rates. To manage interest rate volatility, against our bank borrowings linked to repo rates, we attempt to extend term loans linked to similar benchmarks. We manage our foreign currency interest rate risk according to our Board approved Foreign Currency and Derivative Risk Management Policy. Changes in interest rates could affect the interest we charge on our loans differently from the interest we pay on our borrowings because of different maturity periods applicable to our loans and borrowings and also because interest-earning assets tend to re-price more quickly than interest-bearing liabilities. Accordingly, we have an internal committee for reviewing and taking decisions on foreign currency borrowing. We borrow funds on both fixed and floating rates. Our loan products comprise fixed and floating interest rate loans. As of September 30, 2023, our total borrowings were ₹ 398,501.93 million, of which ₹ 247,841.31 million or 62.19% of our total borrowings had a fixed rate of interest. If we are unable to match our lending portfolio with our borrowings, we would be exposed to interest rate and liquidity risks as a result of lending to customers at interest rates and in amounts and for periods that may differ from our funding sources. For further information, see *"Risk Factors – Volatility in interest rates could adversely affect our business, net interest income and net interest margin, which in turn would adversely affect our business, results of operations and financial condition"* on page 36.

We have established a committee for fixing interest rates and reviewing interest rate risks. We review our lending rates periodically based on prevailing market conditions, borrowing cost, yield, spread, competitors' rates, sanctions and disbursements.

For further information, see *"Note 38(38). Financial Risk Management"* in *"Financial Information – Notes to Restated Financial Information"* on page 439.

Financial Indebtedness

The following table sets forth certain information relating to outstanding indebtedness as of September 30, 2023 and our repayment obligations in the periods indicated:

	Payment due by period*				
	Total	**Less than one year**	**1-3 years**	**3-5 years**	**More than 5 years**
	(₹ million)				
Total Borrowings	398,531.81	83,980.81	112,180.46	46,784.11	155,586.43

**Maturity patterns have been shown excluding Ind AS transaction cost.*

Capital Commitments

Our capital commitments as of March 31, 2021, March 31, 2022, March 31, 2023 and as of September 30, 2022 and September 30, 2023 are set forth below.

(in ₹ million)

Capital Commitments:	**As of March 31,**			**As of September 30,**	
	2021	**2022**	**2023**	**2022**	**2023**
Estimated amount of contracts remaining to be executed on capital account	92.34	68.28	129.95	78.45	48.48
Total	**92.34**	**68.28**	**129.95**	**78.45**	**48.48**

Contingent Liabilities

The details of our contingent liabilities that have not been provided for in the relevant periods are as follows:

Particulars	As of March 31, 2021	As of March 31, 2022	As of March 31, 2023	As of September 30, 2022	As of September 30, 2023
	(in ₹ million)				
d) Claims against the Company not acknowledged as debt					
iii) Taxation demands:					
Income Tax cases[(1)]	2,121.20	2,121.21	2,377.65	2,140.09	2,236.63
Service Tax cases and Goods and Service Tax cases[(2)]	-	1,999.39	2,149.25	2,074.52	2,376.94
iv) Others	27.47	30.36	34.87	32.46	39.93[3]
e) Guarantees excluding financial guarantees					
iii) Guarantees	5,490.00	6,680.38	4,861.14	5,995.14	2,246.53
iv) Letter of comfort/ payment order instrument issued and outstanding	5,001.00	7,857.92	13,665.42	12,151.23	4,096.32
f) Other money for which the Company is contingently liable					
ii) Property tax in respect of office building & residential buildings (Refer Note 38(27)	Undeterminable				

Notes:

(3) Income Tax: Income Tax Cases – Assessment Year 1998-1999 – Assessment Year 2009-2010:

This includes income tax cases for Assessment Year 1998-1999 to Assessment Year 2002-2003, which were referred back on the direction of the Hon'ble High Court of Delhi to the Hon'ble ITAT and Hon'ble ITAT to the Assessing Officer and income tax cases for Assessment Year 2003-2004 to Assessment Year 2009-2010 which were referred back on the direction of Hon'ble ITAT to the Assessing Officer. The Assessing Officer had not passed the order on these cases within the statutory time limit prescribed under the Income Tax Act. Earlier, our Company had deposited the taxes under protest on the basis of demand raised for the aforementioned Assessment Years.

In view of the foregoing, the demands paid over and above the tax payable as per returns filed became refundable. Accordingly, during Fiscal 2019, a writ petition has been filed with Hon'ble High Court to issue the necessary directions to the department to grant the refund for the aforementioned years. The Hon'ble High Court at Delhi had passed an interim order as under– "In the meanwhile, the respondents are permitted to proceed and complete the assessment orders and not give effect to it or take any coercive action." The final decision in the matter is still pending.

(4) Service Tax & Goods and Service Tax (GST) case

The Company has received of Notice of Demand/Order from the Commissioner, Adjudication, Central Tax, GST Delhi East vide order no GST-15/Adju/DE/IREDA/71/2017-18/3706-08 dated March 15, 2022 creating demands on IREDA amounting to ₹ 1,170.91 million (excluding applicable interest) for Fiscal 2013 to Fiscal 2016. Although we contend that the entire demand is barred by limitation, we have provided for ₹ 121.16 million (as on September 30, 2022, ₹ 113.82 million) including interest on conservative basis. Based on law and facts in the matter, service tax demand (including interest) for the half year ended September 30, 2023 is ₹ 2,224.38 million and September 30, 2022, was ₹ 2,074.52 million (for the year ended March 31, 2023 is ₹ 2,149.25 million, for the year ended March 31, 2022: ₹ 1,999.39 million, and for the year ended March 31, 2021: ₹ nil) has been disclosed as contingent liability.

Further, since our Company is a GoI enterprise, no mala fide intention can be attributed to us and thus, extended period of limitation ought not to be invoked based on certain decisions of Hon'ble Supreme Court in such cases and hence the penalty has not been considered for disclosure as a contingent liability. Our Company has filed an appeal with CESTAT, New Delhi on June 15, 2022 in the matter.

Our Company has also received order no. DE/NP/R-174/GST/ADC(NR)/005/2022-23 dated February 28, 2023 from the office of Additional Commissioner, Adjudication, Central Tax, GST Delhi East on recovery of GST on Guarantee Fee Paid to the GoI under reverse charge basis for the period from July 1, 2017 to July 26, 2018 raising a demand of ₹ 152.51 million towards tax, ₹ 152.56 million towards penalty and applicable interest thereon. While our Company has filed an appeal against the same before the Commissioner of Central Goods and Service Tax (Appeals – I), New Delhi on June 1, 2023, requisite provision towards the tax and interest thereon amounting to ₹ 276.52 million (as on September 30, 2022: nil) has already been made in the books of accounts and ₹ 152.56 million (as on September 30, 2022: nil) has been disclosed as contingent liability.

(3) Includes penalty of ₹ 0.26 million (as at September 30, 2022: nil, as at March 31, 2023: ₹ 0.26 million, as at March 31, 2022: nil; as at March 31, 2021: nil) imposed by the Ministry of Corporate Affairs with regard to non-appointment of woman director. Our Company being a GoI company has no control over appointment of directors and hence the same has not been considered for provision. Also includes cases pending before Hon'ble High Court of Delhi in the form of writ petition against the order of disciplinary authority for dismissal of staff from service of our Company. There is no interim order in this matter. Also includes ₹ 3.51 million pertaining to withheld PRP of ex-functional directors of our Company pending clarification.

For further details of our contingent liabilities as of March 31, 2021, March 31, 2022 and March 31, 2023, see *"Note 38 – Disclosure in respect of Indian Accounting Standard (Ind AS) - 37 "Provisions, Contingent Liabilities* *and Contingent Assets"* in *"Financial Information – Notes to Restated Financial Information"* on page 396.

Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. These transactions principally include remuneration to KMPs and Directors, repayment of loans availed from the GoI and interest thereon, and disbursement of loans to other GoI-controlled entities.

Set forth below are details of our related party transactions in the corresponding periods:

Related Party Transactions	Fiscal 2021	Fiscal 2022	Fiscal 2023	Six months ended September 30, 2022	Six months ended September 30, 2023
	(₹ million, except percentages)				
Related party transactions with KMP					
Compensation and Loans to KMPs	23.62	33.11	29.84	13.81	13.13
Percentage of Total Income	0.09%	0.12%	0.09%	0.09%	0.06%
Related party transactions with GoI and GoI entities					
Capital Disbursements	-	449.80	15,913.50	-	-
% of Term Loan Outstanding	-	0.13%	3.38%	-	-
Capital Repayments	148.16	241.92	264.47	128.30	294.45
% of Term Loan Outstanding	0.05%	0.07%	0.06%	0.04%	0.06%
Revenue Expenditure	1,208.43	1,019.24	926.17	464.45	767.31
% of Total Income	4.55%	3.55%	2.66%	2.94%	3.31%
Grand Total GOI and GOI entities	**1,356.59**	**1,710.96**	**17,104.14**	592.75	1,061.76

For further information relating to our related party transactions, see *"Note 38(10) – Disclosure in respect of Indian Accounting Standard (Ind AS) - 24 "Related Party Disclosures"* in *"Financial Information – Notes to Restated Financial Information"* on on page 407.

Segment Reporting

Our Company operates in two segments – (i) financing activities in the renewable energy and energy efficiency sector, and (ii) generation of power through solar plant operations at Kasargod, Kerala. Our major revenue is derived from the segment of financing activities in the renewable energy and energy efficiency sector. The other operating segment is not a reportable segment. We operate in India, hence we are considered to operate only in domestic segment, and as such there is a single business/ geographical segment for the purpose of segment reporting. For further information, see *"Note 38(9) – Disclosure in respect of Indian Accounting Standard (Ind AS) - 108 "Operating Segments"* in *"Financial Information –Notes to Restated Financial Information"* on on page 406.

Seasonality

Generally, the RE projects we finance are seasonal in nature, wherein the projects witness peak seasons and lean seasons across all segments of the RE sector. As a result of these factors, our business may be subject to fluctuations in operating results and cash flows during any quarter or interim financial period, and consequently, such results cannot be used as an indication of our annual results, and they cannot be relied upon as an indicator of our future performance.

Off-Balance Sheet Commitments Arrangements

Except as described in this Prospectus, we do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Known Trends or Uncertainties

Our business has been impacted, and we expect will continue to be impacted, by the trends identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Factors affecting our Results of Operations and Financial Condition*" on page 523 and the uncertainties described in the section "*Risk Factors*" beginning on page 34. To our knowledge, except as discussed in this Prospectus, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on our revenues or income.

Unusual or Infrequent Events or Transactions

Except as described in this Prospectus, there have been no other events or transactions to the best of our knowledge that may be described as "unusual" or "infrequent", or any unusual changes of income, changes in accounting policies and discretionary reduction of expenses that have taken place in the last three Fiscals and the six months ended September 30, 2023.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

Except as described in this Prospectus, there have been no significant economic changes that have taken place in the last three Fiscals that have materially affected or are likely to affect income from operations.

Summary of Audit Matters and Emphasis of Matters and Observations in our Statutory Auditor's Reports

Set forth below are the matters of emphasis in the Statutory Auditors' reports on the audited consolidated financial statements of our Company as at and for the year ended March 31, 2021 and on the audited standalone financial statements of our Company as at and for the years ended March 31, 2022, 2023 and for the six months ended September 30, 2022 and September 30, 2023, and our Company's responses thereto:

Emphasis of Matters	Steps taken or to be taken by our Company to address the Matter
Fiscal 2021	
As described in Note 38 (41) to the Restated Standalone and Consolidated Financial Statements, the extent to which the COVID-19 pandemic including the current "second wave" will have impact on the Parent and its associate Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time. *Our opinion is not modified in respect of the above matter*.	The emphasis of matter is a statement of fact. Our Company has regularly monitored the impact of COVID-19 on the financial performance and has considered the possible effects of the same for determining the recoverability of carrying amounts of financial and non- financial assets.
Fiscal 2022	
1. *As described in Note 38 (44) to the Financial Statements of the Company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 9,187.92 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.
2. As described in Note 38 (41) to the Financial Statements, the extent to which the COVID-19 pandemic including the recent surge in infections will have impact on Company's financial performance is dependent on ongoing as well as future developments, which are highly uncertain and potential impact thereof is not ascertainable at this point in time.	The emphasis of matter is a statement of fact. Our Company has regularly monitored the impact of COVID-19 on the financial performance and has considered the possible effects of the same for determining the recoverability of carrying amounts of financial and non- financial assets.
3. As described in Note No.38 (26) to the Financial Statements, during the year, the Company has liquidated its Investment in Associate Company, M/s M.P. Windfarms Limited. Accordingly, no consolidated Financial Results are required to be presented by the Company. *Our opinion is not modified in respect of above matters*.	The emphasis of matter is a statement of fact. The accounting, presentation and disclosure for the said liquidation of the associate was done in line with Ind AS 28 on 'Investments in Associates and Joint Ventures'.
Fiscal 2023	

Emphasis of Matters	Steps taken or to be taken by our Company to address the Matter
1. *As described in Note 38 (44) to the Financial Statements, the Company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 8,931.29 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India ("RBI") has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.
2. *As described in Note 38 (41) to the Financial Statements, the Company has considered possible effects from COVID-19 pandemic on Company's financial performance including the recoverability of carrying amounts of financial and non- financial assets.* *Our opinion is not modified in respect of above matters*.	The emphasis of matter is a statement of fact. Our Company has regularly monitored the impact of COVID-19 on the financial performance and has considered the possible effects of the same for determining the recoverability of carrying amounts of financial and non- financial assets.
Six months ended September 30, 2022	
The company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 8,867.02 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India (RBI) has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly *Our opinion on the statement is not modified in respect of this matter.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.
Six months ended September 30, 2023	
The company has classified certain accounts required to be classified as stage III /Non-Performing Assets (NPA) as stage II / Standard aggregating to ₹ 11,367.69 million in terms of interim order of Hon'ble High Court of Andhra Pradesh. The statutory disclosures have been made accordingly. However, as a matter of prudence, interest income on such accounts becoming NPA in terms of prudential norms of Reserve Bank of India (RBI) has been recognized on collection basis and allowance for impairment loss has been made in accounts accordingly. *Our opinion on the statement is not modified in respect of this matter.*	The emphasis of matter is a statement of fact. Our Company has made adequate provision for the said accounts as per the Expected Credit Loss model, in line with Ind AS 109.

Significant Developments after September 30, 2023

Other than as disclosed below and elsewhere in this Prospectus, there have not arisen any circumstances since September 30, 2023 which materially and adversely affect or are likely to affect the trading of our Company's Equity Shares, our profitability, the value of our assets, or our ability to pay our liabilities within the next 12 months.

S No.	Description of security issued	Listed on stock exchange	Date of issue	Rate of interest (p.a.)	No. of securities	Face value (₹)	Total amount (₹ in million)	Maturity date	ISIN
1.	Unsecured, redeemable, non-cumulative, taxable, non-convertible bonds in the nature of debentures	NSE and BSE	October 12, 2023	7.75%	68,300	100,000	6,830	October 12, 2033	INE202E08136

FINANCIAL INDEBTEDNESS

Pursuant to a resolution passed by our shareholders in the EGM held on July 31, 2017, the Board has been authorised to borrow sums of money for the purposes of our Company, upon such terms and conditions as the Board may think fit. However, the aggregate indebtedness of our Company shall not exceed 15 times of the net worth of our Company.

As of September 30, 2023, our outstanding borrowings aggregated to ₹398,531.80 million (including transaction value without Ind AS adjustments for transaction cost).

The details of aggregate indebtedness of our Company as on September 30, 2023 is provided below:

(*in ₹ million*)

Category of Borrowing	Sanctioned Amount	Principal amount outstanding as on September 30, 2023**
Working capital facilities		
Secured		
Fund based	13,800.00	3,000.00
Non-fund based	-	-
Total (A)	13,800.00	3,000.00
Unsecured		
Fund based	15,500.00	5,000.00
Non-fund based	-	-
Total (B)	**15,500.00**	**5,000.00**
Total working capital facilities (A+B)	**29,300.00**	**8,000.00**
Term loan facilities		
Secured (C1)	241,064.25	165,364.60
Unsecured (C2)	146,581.86	103,216.66*
Total term loan facilities (C=C1+C2)	**387,646.11**	**268,581.26**
Debentures		
Secured (D1)	65,756.55	65,756.55
Unsecured (D2)	56,194.00	56,194.00
Total debentures (D=D1+D2)	**121,950.55**	**121,950.55**
Total borrowings (A+B+C+D)	**538,896.65**	**398,531.80**

Note: The above computation does not include interest accrued but not due.
* *Out of ₹103,216.66 million unsecured term loan facilities, ₹56,999.24 million is secured by Government of India guarantee.*
** *Figures are based on transaction value without Ind AS adjustments for transaction cost.*

Principal terms of the borrowings availed by our Company

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company.

1. ***Interest:*** In terms of foreign currency loans availed by us, the interest rate is typically either the floating rate i.e., LIBOR/ EURIBOR/SOFR and spread per annum/half annum or a fixed interest rate over the loan tenor. For domestic bonds issued by our Company, the coupon rate is annual and fixed. The term loans from banks and financial institutions availed by our Company are at fixed rate and floating rates. The floating rates are benchmarked on repo rates/ T Bill rates/ Gsec/ MCLR etc.

2. ***Validity/Tenor:*** The tenor of the foreign currency term loan typically ranges between twelve years to forty years; amount being disbursed periodically as per the terms of the loan agreements. The tenor of the term loan from domestic institutions typically ranges over 2 years to up to 10 years, amount being disbursed periodically as per the terms of the loan agreements. The tenor of the bonds range between 3 years and 20 years. Short term loans typically are for a period ranging up to 180 days.

3. ***Prepayment:*** Our Company has the option to prepay the lenders. Some of our loans may be subject to payment of prepayment charges at such rate as may be stipulated by the lenders. Further, some loans may be prepaid without any prepayment charges subject to the fulfilment of conditions, including by providing prior notice of up to 30 days to the lender.

4. ***Prepayment Penalty:*** Loan agreements entered by our Company typically allow our Company to pre-pay and/or re-schedule the outstanding loans, subject to receiving prior approval from the concerned lender. In addition, the concerned lenders may impose such prepayment penalties and prepayment compensatory indemnity as may be decided by them, or as set forth in the loan agreements.

5. ***Security:*** In terms of our borrowings where security needs to be created, our Company is typically required to create security by way of:

   (a) *pari passu* charge by way of hypothecation on book debts;

   (b) first *pari passu* charge on the present and future receivables of our Company;

   (c) negative lien on the present and future receivables of our Company; and

   (d) guarantees from the Government of India.

6. ***Repayment:*** The repayment schedule for our long-term loans typically requires us to repay our loans on a quarterly or half yearly or yearly instalment basis.

7. ***Key Covenants:*** Our several financing arrangements contain various restrictive conditions and covenants, which restricts initiation of certain corporate actions by our Company. In this regard, our Company is required to take the prior approval of the concerned lender before carrying out such activities, including for:

   (a) effecting any amalgamation, merger, reconstruction, takeover or consolidation;

   (b) changing our accounting system;

   (c) utilising proceeds of the facilities towards purposes other than as stipulated in the loan agreements;

   (d) amending our constitutional documents which may cause prejudice to the rights of our lenders and bondholders;

   (e) availing borrowing in excess of the permitted borrowings;

   (f) changing the management structure of our Company;

   (g) creating any charge, lien or encumbrance over our undertaking or any part thereof in favour of any financial institution or otherwise;

   (h) incurring any other financial indebtedness;

   (i) refraining from inducting a person whose name appears in the wilful defaulters list of RBI/CICs in our Company's board;

   (j) refraining from selling or disposing of any of its assets which may be required for carrying on its operations;

   (k) sell, assign, mortgage or otherwise dispose of any of the fixed assets charged to the lender;

   (l) entering into contractual obligation of a long-term nature (i.e., two years or more) or which, in the reasonable assessment of the lender, is an unrelated activity and is detrimental to lender's interest; and

   (m) repay monies brought in by the promoter/ directors/ principal shareholders and their friends and relatives by way of deposits/ loans/ advances, if any.

8. ***Events of Default:*** In terms of our Company's borrowing arrangement for the loans availed by us, the occurrence of any of the following, among others, constitute events of default:

   (a) non-payment or default of any amount including the principal, interest or other charges due by our Company to the lender;

   (b) proceedings against our Company under bankruptcy or insolvency law;

(c) breach of the covenants and conditions as specified in the loan documentation;

(d) alteration in provisions of memorandum and/or article of association without the previous consent in writing of the lender;

(e) upon happening of any circumstances or event which would or is likely to prejudicially or adversely affect in any manner the capacity of our Company to repay the loan;

(f) failure to create security as provided under the loan agreements;

(g) deterioration/ impairment of the security or any decline/ depreciation in the value or market price of the security;

(h) all or substantially all of the undertaking, assets or properties of our Company or the interest therein are seized, nationalized, expropriated or compulsorily acquired by the any authority;

(i) upon any attachment, distress, execution or other process against our Company, or enforcement of any of the securities;

(j) breach of any representations, warranty or undertaking furnished by our Company under the loan documentation;

(k) if it is or becomes unlawful for the borrower or the guarantor to perform any of its obligations under the loan agreement or guarantee agreement;

(l) utilization of th**e** borrowings availed by our Company for any purpose other than as sanctioned;

(m) the Company ceasing or threatening to cease to carry the business;

(n) misinterpretation of any material facts to the lender;

(o) failure to furnish information/ documents to the lender as per various statues, rules, guidelines or required as per the guidelines of RBI;

(p) if the Company is declared a sick undertaking under the provisions of the Section 3(1)(o) of the Sick Industrial Undertakings (Special Provisions) Act, 1985 or under section 2(46)(AA) of the Companies Act 1956; and

(q) if it is certified by an accountant or a firm of accountants that the liabilities exceed the assets.

Our Company is required to ensure that none of the aforementioned events of default and other events of default, as specified under the various loan documentation entered into by our Company for the purpose of availing of loans, is triggered. This is an indicative list and there may be additional terms and conditions that may amount to an event of default under the various borrowing arrangements entered into by us.

9. ***Consequences of occurrence of events of default:*** In terms of our borrowing arrangement for the loans availed by us, the following, among others, are the consequences of occurrence of events of default, our lenders may:

(a) accelerate the repayment of the loan;

(b) re-price the loan;

(c) suspend or cancel any disbursement;

(d) enter upon and take possession of the assets of our Company;

(e) transfer the assets of the Company by way of lease/ sub lease or licence or sale;

(f) recover the entire dues of the loan under the respective agreements; and

(g) enforce and realise the guarantees furnished by the Government of India; and recover any loss, costs, charges or expenses sustained or incurred by lender; and the Company shall not, without prior consent of the lender, declare or pay any dividend or other distribution to its equity shareholders or partners during any financial year unless it is paid in full to the lender.

Details of listed non-convertible debentures

Set out below are the details of non-convertible debentures issued by our Company as on September 30, 2023 which are listed on the debt segment of the stock exchange(s):

Series of bonds/ debentures	ISIN	Security description	Mode of issue	Amount (₹ in million)	Date of allotment	Face value of each bond	Coupon rate (%)	Name of the stock exchange (s) where the bonds are listed
IIIB	INE202E07062	IREDA Taxable Bonds	Private Placement	2,500.00	24-09-2010	1,000,000	9.02	NSE
VB	INE202E07096	IREDA Taxable Bonds	Private Placement	2,000.00	10-05-2013	1,000,000	8.49	NSE
XIII-1A	INE202E07104	IREDA Tax Free Bonds	Public Issue	757.59	13-05-2014	1,000	8.16	NSE & BSE
XIII-2A	INE202E07120	IREDA Tax Free Bonds	Public Issue	1,230.77	13-05-2014	1,000	8.55	NSE & BSE
XIII-3A	INE202E07146	IREDA Tax Free Bonds	Public Issue	388.12	13-05-2014	1,000	8.55	NSE & BSE
XIII-1B	INE202E07112	IREDA Tax Free Bonds	Public Issue	1,052.91	13-05-2014	1,000	8.41	NSE & BSE
XIII-2B	INE202E07138	IREDA Tax Free Bonds	Public Issue	2,345.51	13-05-2014	1,000	8.80	NSE & BSE
XIII-3B	INE202E07153	IREDA Tax Free Bonds	Public Issue	1,441.64	13-05-2014	1,000	8.80	NSE & BSE
XIIIC	INE202E07161	IREDA Tax Free Bonds	Private Placement	360.00	27-03-2014	1,000,000	8.56	NSE
XIVC	INE202E07179	IREDA Tax Free Bonds	Private Placement	2,840.00	01-10-2015	1,000,000	7.17	NSE
XIV-1A	INE202E07187	IREDA Tax Free Bonds	Public Issue	1,088.91	21-01-2016	1,000	7.28	BSE
XIV-2A	INE202E07195	IREDA Tax Free Bonds	Public Issue	8,842.65	21-01-2016	1,000	7.49	BSE
XIV-3A	INE202E07203	IREDA Tax Free Bonds	Public Issue	364.44	21-01-2016	1,000	7.43	BSE
XIV-1B	INE202E07211	IREDA Tax Free Bonds	Public Issue	1,278.86	21-01-2016	1,000	7.53	BSE
XIV-2B	INE202E07229	IREDA Tax Free Bonds	Public Issue	4,835.15	21-01-2016	1,000	7.74	BSE
XIV-3B	INE202E07237	IREDA Tax Free Bonds	Public Issue	749.99	21-01-2016	1,000	7.68	BSE
VIA	INE202E07245	IREDA Taxable Green Bonds	Private Placement	2,000.00	24-03-2017	1,000,000	8.12	NSE & BSE
VIB	INE202E7252	IREDA Taxable Green Bonds	Private Placement	5,000.00	27-03-2017	1,000,000	8.05	NSE & BSE
VIIA	INE202E07260	IREDA Taxable Green Bonds	Private Placement	2,750.00	03-01-2019	1,000,000	8.51	NSE & BSE
VIIB	INE202E07278	IREDA Taxable Green Bonds	Private Placement	5,900.00	17-01-2019	1,000,000	8.47	NSE & BSE
VIII	INE202E08045	IREDA Unsecured Sub-Debt	Private Placement	1,500.00	22-02-2019	1,000,000	9.23	NSE & BSE

Series of bonds/ debentures	ISIN	Security description	Mode of issue	Amount (₹ in million)	Date of allotment	Face value of each bond	Coupon rate (%)	Name of the stock exchange (s) where the bonds are listed
IX-A	INE202E07286	IREDA Taxable Bonds	Private Placement	10,000.00	24-09-2019	1,000,000	8.00	NSE & BSE
IX-B	INE202E07294	IREDA Taxable Bonds	Private Placement	8,030.00	03-03-2020	1,000,000	7.40	NSE & BSE
X	INE202E08060	IREDA Unsecured Sub-Debt	Private Placement	5,000.00	08-05-2020	1,000,000	7.74	NSE & BSE
XI-A	INE202E08078	IREDA Taxable Bonds Unsecured	Private Placement	1,060.00	02-03-2022	1,000,000	5.98	NSE & BSE
XII-A	INE202E08086	IREDA Taxable Bonds Unsecured	Private Placement	6,484.00	02-08-2022	1,000,000	7.46	NSE & BSE
XII-B	INE202E08094	IREDA Taxable Bonds Unsecured	Private Placement	12,000.00	27-09-2022	1,000,000	7.85	NSE & BSE
XII-C	INE202E08102	IREDA Taxable Bonds Unsecured	Private Placement	5,150.00	07-12-2022	1,000,000	7.79	NSE & BSE
XII-D	INE202E08110	IREDA Taxable Bonds Unsecured	Private Placement	15,000.00	27-01-2023	100,000	7.94	NSE & BSE
XV-A	INE202E08128	IREDA Taxable Bonds Unsecured	Private Placement	10,000.00	11-08-2023	100,000	7.63 %	NSE & BSE

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at September 30, 2023, on the basis of the Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with "*Risk Factors*", "*Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", on pages 34, 321 and 520, respectively.

(₹ in million)

Particulars	Pre-Offer as at September 30, 2023	Adjusted for the Offer
Equity share capital*	22,846.00	26,877.65
Other equity*	42,960.12	51,829.74
Total equity (A)	**65,806.12**	**78,707.39**
Current borrowings (A)*	8,000.00	8,000.00
Non-current borrowings (including current maturity and interest accrued and due on borrowings)*	390,501.93	390,501.93
Total borrowings (B)	398,501.93	398,501.93
Total (A+B)	**464,308.05**	**477,209.32**
Non-current borrowings (including current maturity and interest accrued and due on borrowings) / Total Equity ratio(1)	**5.93**	**4.96**
Debt Equity Ratio(2)	**6.06**	**5.06**

* *These terms carry the same meaning as per Schedule III of the Companies Act, 2013, as amended.*

Notes:

(1) *Non-current borrowings means the borrowings for more than 12 months and i.e., (Non-current borrowings, interest accrued) / Total Equity.*

(2) *Debt equity ratio means Total Debt / Total Equity.*

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by regulatory or statutory authorities; (iii) litigations involving claims related to direct and indirect taxes; and (iv) other pending litigation determined to be material pursuant to the materiality policy adopted pursuant to the board resolution dated June 21, 2023 (as disclosed herein below), in each case involving our Company and the Directors ("**Relevant Parties**").*

Since the Promoter of our Company is the President of India, acting through the Ministry of New and Renewable Energy, Government of India, no proceedings, including outstanding litigations above, are disclosed in this section.

Further, our Company is fully owned and controlled by the Government of India and is a 'government company' as defined under the Companies Act. In terms of Schedule VI, Part A, Paragraph 13(A) of the SEBI ICDR Regulations, our Company has not identified any group companies of our Company.

For the purpose of identification of material litigation in (iv) above, our Board, in its meeting held on June 21, 2023 has considered and adopted the following policy of materiality for identification of material litigation to be disclosed by our Company in this Prospectus. Accordingly, disclosures of the following types of litigation involving the Relevant Parties have been included.

All outstanding litigation, including any litigation (including arbitration proceedings) involving the Relevant Parties, other than criminal proceedings, actions by regulatory and statutory authorities and tax matters (direct or indirect), would be considered 'material' if:

a) where such matter involves our Company, the monetary amount of claim by or against the entity in any such pending proceeding is equal to or in excess of 2% of the profit after tax of our Company as at and for the year ended March 31, 2023, as per the Restated Financial Information, being ₹172.92 million;

b) where such matter involves our Directors, in addition to the cases which shall be considered material in terms of (i) above in which our Directors are a party to, all outstanding civil litigation against our Directors where an adverse outcome would materially and adversely affect our Company;

c) pending litigations where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed the respective materiality threshold set out above; or

d) monetary liability is not determinable or quantifiable or the monetary liability does not exceed the materiality threshold set out (a) above, but where the outcome of any such proceeding would materially and adversely affect the business, operations, performance, prospects, financial position or reputation of our Company.

It is clarified that for the above purpose, pre-litigation notices received by Relevant Parties (excluding notices issued by statutory or regulatory or taxation authorities), have not been considered as litigation until such time that the Relevant Parties are impleaded as a defendant in proceedings before any judicial/ arbitral forum.

Except as stated in this section, there are no outstanding dues to creditors of our Company. For this purpose, our Board in its meeting held on June 21, 2023, has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this materiality policy, outstanding dues to any creditor of our Company having monetary value which exceeds 1% of the total trade payables of our Company as at and for the six months ended September 30, 2023, as per the Restated Financial Information of our Company, shall be considered 'material'. Accordingly, as on September 30, 2023, any outstanding dues exceeding ₹3.43 million have been considered as material outstanding dues for the purposes of disclosure in this section.

*For outstanding dues to any micro, small or a medium enterprise ("**MSME**"), the disclosure is based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, read with the rules and notifications thereunder.*

I. Litigation involving our Company

Litigation against our Company

Actions taken by Regulatory and Statutory Authorities

1. The Deputy Director, Enforcement Directorate (the "**ED**"), has filed an appeal dated November 25, 2020 before the Appellate Tribunal of Prevention of Money Laundering, Delhi (the "**PMLAT**"), against Chanda Kochhar, and certain other parties including our Company, against the order dated November 6, 2020 passed by the adjudicating authority, in the complaint (Original Complaint No.1258/2020) under the Prevention of Money Laundering Act, 2002 (the "**PMLA**"), wherein the adjudicating authority upheld the validity of loan provided to various companies in the Videocon group and dismissed/ rejected the provisional attachment order bearing no. 01/2020 dated January 10, 2020 issued by the ED. Our Company has filed a reply to the appeal on July 5, 2023 and an application dated December 29, 2020 on the maintainability of the appeal has also been filed by Echanda Urja Private Limited (co-defendant in the appeal filed by the ED). The matters are currently pending.

2. Our Company granted certain loan facilities to Gangakhed Sugar and Energy Limited (the "**Borrower**") (the "**Loan**"). The Loan was further secured by way of creation of charge on several properties of the Borrower, Yogeshwari Hatcheries Private Limited and Gangakhed Solar Power Private Limited in favour of our Company (the "**Properties**"). The Deputy Director, Directorate of Enforcement, Mumbai passed a provisional attachment order bearing no. 01/2020 on December 23, 2020 (the "**PAO**") directing the provisional attachment of all charged Properties on account of being in involved in money laundering under the Prevention of Money Laundering Act, 2002 (the "**PMLA**"). The PAO was further confirmed by the Adjudicating Authority under PMLA by order dated December 13, 2021 passed in original complaint number 1392/2021 (the "**Impugned Orders**"). Our Company has filed an appeal dated February 10, 2022, before the Appellate Tribunal of Prevention of Money Laundering, Delhi ("**PMLAT**"), against the Impugned Orders. Additionally, as per the resolution plan approved by the National Company Law Tribunal, Mumbai ("**NCLT, Mumbai**") *vide* order dated February 17, 2023, our Company was due to received total payment of ₹399 million. The matter is currently pending.

3. The Registrar of Companies, Delhi and Haryana, Ministry of Corporate Affairs (the "**MCA**") passed an order dated September 30, 2022 imposing a penalty amounting to ₹0.26 million (the "**Penalty**") on our Company for violation of Section 149(1) of the Companies Act, 2013 (the "**Order**"). Our Company has filed an appeal against the Order before the office of Regional Director (Northern Region), MCA, through its reply dated October 11, 2022 (the "**Appeal**"). Through its Appeal our Company has sought a waiver of the penalty on grounds that, as a government company, the power to appoint directors on the Board of our Company vests with the Ministry of New and Renewable Energy (the "**MNRE**"). Our Company, through various letters, has requested MNRE to induct requisite number of independent directors on the Board of our Company, as mandated under the Companies Act. The Appeal is currently pending.

4. Our Company owns and operates a 50 MW solar photovoltaic project in Kasaragod Solar Park, State of Kerala (the "**Project**"). The Kerala State Electricity Regulatory Commission (the "**KSERC**") had through its order dated February 6, 2019 approved a tariff at ₹3.83 per unit for the Project and lowered certain capital costs that our Company had claimed from subsisting arrangements in the Project. Consequently, our Company filed an appeal before the Appellate Tribunal for Electricity (the "**APTEL**") against the order dated February 6, 2019 passed by KSERC. The APTEL through its order dated February 10, 2022 disposed off our appeal (the "**Impugned Order**"). Our Company has filed a review petition against the Impugned Order before the APTEL on April 5, 2022. Additionally, our Company has also filed an appeal before the Supreme Court of India on June 8, 2022 against the Impugned Order. The matters are currently pending.

Criminal Litigation

1. Borrowers of the Company, in the ordinary course of business, have initiated 35 proceedings in various High Courts against our Company under Section 482 of Criminal Procedure Code, 1973.

The cases have been filed against the proceedings initiated by our Company under Section 138 read with Sections 141 and 142 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheques and recovery of dues by the Borrowers. All these matters are currently pending at differed stages of adjudication before various courts. The aggregate amount involved in these proceedings is ₹840.87 million, to the extent ascertainable.

Material Civil Litigation

1. A writ petition bearing no. 21601/2019 has been filed by Ecoren Energy India Private Limited & Ors ("**Petitioners**") before the High Court of Andhra Pradesh (the "**High Court, Andhra Pradesh**") on December 31, 2019 against Union of India and certain other parties, including our Company, in relation to the loan facilities extended by our Company to the Petitioners for setting up of wind projects. The Petitioners in their writ petition have submitted that Southern Power Distribution Company of Andhra Pradesh Limited has failed to make the necessary payment to the Petitioners, despite the court order in writ petition number No. 9874/2019, which has resulted in the Respondent No. 5 and other lenders threatening to declare the Petitioner companies as NPA and take remedial actions pursuant to the circular dated June 07, 2019 issued by the Reserve Bank of India (Respondent No. 4) on grounds of delay in payment of outstanding dues by the Petitioners. Through the writ petition, the Petitioners have sought direction from the High Court, Andhra Pradesh to restrain our Company and other lenders from taking any precipitative steps or actions in relation to the loan facilities and declare the statutory period of 90 days under RBI directions to commence after the High Court has decided on the matter. The High Court, Andhra Pradesh has restrained our Company and others vide its interim order dated September 29, 2021. The matter is currently pending, and the interim order stands extended.

2. A writ petition dated March 26, 2021 and bearing number 7499/2021 has been filed by ZR Renewable Energy Private Limited (the "**Petitioner**") in the High Court of Andhra Pradesh (the "**High Court, Andhra Pradesh**") against our Company and certain other parties (the "**Petition**"). Our Company granted a loan of ₹823.95 million to the Petitioner for setting up wind projects in the state of Andhra Pradesh (the "**Loan**"). The Petition seeks to restrain our Company from declaring the account of the Petitioner as a non-performing asset on account of default in repayment of the loan. The High Court, Andhra Pradesh through its interim order dated May 6, 2021 directed our Company to not declare the Petitioner's account as a non-performing asset. The matter is currently pending.

3. A writ petition dated November 17, 2022 and bearing number 29460/2022 has been filed by Naraingarh Sugar Mills Limited (the "**Petitioner**") in the High Court of Punjab and Haryana ("**High Court**") against the Union of India and our Company. The petition seeks to quash the application dated June 10, 2021 filed by our Company before the National Company Law Tribunal, Chandigarh under Section 7 of the Insolvency and Bankruptcy Code, 2016 for initiation of corporate insolvency resolution process (the "**CIRP**") and such application (the "**CIRP Application**") against the Petitioner. The CIRP Application had been filed on account of default in repayment of ₹1,332.32 million owed by the Petitioner to our Company as on March 31, 2021. Pursuant to its order dated December 22, 2022, the High Court has granted a stay on the CIRP Application. The matter is currently pending.

4. A writ petition dated April 1, 2023 and bearing number 8791/2023 has been filed by SLS Power Corporation Limited (the "**Petitioner**") in the High Court of Andhra Pradesh (the "**High Court, Andhra Pradesh**") against our Company (the "**Petition**"). The Petition seeks to restraint our Company from taking any action against the Petitioner either under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI Act**") or the Insolvency and Bankruptcy Code, 2016 (the "**IBC**"). Our Company granted a loan of ₹1,515.10 million to the Petitioner for setting up a 24 MW mini hydel project on the Godavari river, Dummagudem village, Dummagudem Taluk, Khammam District, Andhra Pradesh (the "**Loan**"). On account of default in repayment of the Loan, our Company, in its capacity as a secured creditor, initiated proceedings under the SARFAESI Act and the IBC. The Petition also seeks to restraint any action by our Company against the security given by the Petitioner under the Loan. The matter is currently pending.

5. A securitization application dated March 17, 2023 and bearing number SA-6/2023

("**Securitization Application**") has been filed by Bhagyanagar Solvent Extraction Private Limited (the "**Appellant**") before the Debt Recovery Tribunal, Chennai (the "**DRT, Chennai**") against our Company. Our Company sanctioned a loan of ₹169.5 million to the Appellant for setting up of 6MW (enhanced to 11MW) biomass-based power project at village, Hegasanahalli, Deosugurhobli Taluka, Raichur, Karnataka (the "**Loan**"). The Loan was secured by a deed of hypothecation dated March 06, 2002 creating an exclusive first charge on the Appellant's property in favour of our Company. On account of default in repayment of dues under the Loan our Company initiated proceedings under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI Act**") and issued a sale notice dated August 9, 2021 to the Appellant. Our Company also published undated e-auction sale notice for recovery of ₹1,214.41 million as per the provisions of the SARFAESI Act. The Appellant had challenged the Securitization Application initiated by our Company under the SARFAESI Act before the DRT, Chennai. The matter is currently pending.

6. A securitization application dated August 29, 2023 and bearing number SA-306/2023 has been filed by SLS Power Corporation Limited (the "**Appellant**") before the Debt Recovery Tribunal, Hyderabad (the "**DRT, Hyderabad**") against our Company. Our Company had granted a loan of ₹1,515.10 million to the Borrower for setting up a 24 MW mini hydel project on the Godavari River, Dummagudem village, Dummagudem Taluk, Khammam District, Andhra Pradesh (the "**Loan**"). The Loan was further secured by hypothecating and mortgaging movable and immovable properties in favour of our Company. On account of default in repayment of dues under the Loan our Company initiated proceedings under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI Act**"). Our Company issued a demand notice dated December 31, 2020 for outstanding balance of ₹4,333.78 million and further, a possession notice dated March 03, 2023 to the Appellant. Additionally, our Company filed a petition bearing number Crl.M.P.No. 3 of 2023 on June 9, 2023 under Section 14 of the SARFAESI Act before the Court of Chief Judicial Magistrate, Kottagudem (the "**CJM**") against the Appellant and others (the "**Defendants**"). The CJM through order dated July 3, 2023 appointed an advocate commissioner to take over possession of the immovable property (the "**Proceedings**"). The Appellant has challenged these Proceedings before the DRT, Hyderabad. The matter is currently pending.

Litigation by our Company

Criminal Litigation

1. Our Company has filed a complaint dated August 27, 2019 against K. Sambasiva Rao, Chairman and Managing Director of Koganti Power Private Limited (the "**Accused**") with the Economic Offences Wing of the Delhi Police, alleging that the title deeds of collateral security submitted by the Accused, in relation to a term loan sanctioned by the Company are untraceable. Through the letter dated October 7, 2020 from the Assistant Commissioner of Police, Economic Offences Wing, the complaint has been transferred to the Superintendent of Police, Chittoor, Andhra Pradesh. The matter is currently under investigation.

2. Our Company, in the ordinary course of business, has initiated 394 proceedings against its borrowers under Section 138 read with Sections 141 and 142 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheques and recovery of dues. All these matters are currently pending at different stages of adjudication before various courts. The aggregate amount involved in these proceedings is ₹6,274.45 million, to the extent ascertainable.

Material Civil Litigation

1. Our Company has filed an original application dated January 6, 2015 and bearing no. 48/2015 before the Debt Recovery Tribunal, New Delhi against Shree Kedarnath Sugar & Agro Product Limited (the "**Borrower**") and certain other parties for recovery of ₹366.64 million due as on December 31, 2014, together with interest at contractual rates, on account of default in repayment of loan availed by the Borrower for setting up a 15 MW (subsequently enhanced to 18 MW) bagasse cogeneration plant in 2500 TCD, New Sugar Mill, near Village Kerkalmatti, Taluka Badami, District Bagalkot, Karnataka in terms of the Loan Agreement dated April 20, 2007. Our Company has also sought directions for sale of movable and immovable properties

of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

2. Our Company has filed an original application dated June 5, 2015 and bearing no. 166/2015 before the Debt Recovery Tribunal, New Delhi against Bhagyanagar Solvent Extractions Private Limited (the "**Borrower**") and certain other parties for recovery of ₹493.78 million due as on March 31, 2015, along with further interest, liquidated damages and other monies, on account of default in repayment of loan availed by the Borrower for setting up of 6.00 MW (subsequently enhanced to 11 MW) biomass based power project at Village Hegasanahalli, Deosugur Hobli Taluka, Raichur District, State of Karnataka. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

3. Our Company has filed an original application dated September 23, 2015 and bearing no. 443/2015 before the Debt Recovery Tribunal, New Delhi against Noble Ispat & Energies Limited (the "**Borrower**") and certain other parties for recovery of ₹283.09 million due as on June 30, 2015, along with further interest, liquidated damages and other charges thereon at contractual rates, on account of default in repayment of loan availed by the Borrower for setting up of a proposed 8MW captive power plant utilizing waste heat recovery boiler and fluidized bed combustion boiler at Village Sirivar, Bellary District, State of Karnataka. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. Additionally, our Company has through letter dated May 6, 2022 issued a no dues certificate to the Borrower on account of repayment of all dues and consequently the loan was closed on May 05, 2022. However, as the original application is yet to be withdrawn, the matter is currently pending.

4. Our Company has filed an original application dated April 13, 2016 and bearing no. 256/2016, amended *vide* amendment application dated July 7, 2017, before the Debt Recovery Tribunal-I, New Delhi against Vamshi Industries Limited (the "**Borrower**") and certain other parties for recovery of ₹280.91 million due as on March 31, 2016, together with interest at contractual rates, liquidated damages and other charges, on account of default in repayment of loan availed by the Borrower for setting up of proposed 4MW biomass based power generation plant at Village Vemulapalli, Mandapet Mandal, East Godavari District, State of Andhra Pradesh. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

5. Our Company has filed an original application dated November 16, 2017 and bearing no. 915/2017 before the Debt Recovery Tribunal, New Delhi against Shriram Energy Systems Limited (the "**Borrower**") and certain other parties for recovery of ₹426.35 million due as on September 30, 2017, along with cost, *pendente lite* and future interest per annum, on account of default in repayment of loan availed by the Borrower for setting up of 6.00 MW municipal solid wastes power project to be set up at the Vijayawada Municipality plot at Ajit Singh Nagar, Vijayawada, Krishna District, State of Andhra Pradesh. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

6. Our Company has filed an original application dated April 28, 2022 and bearing no. 435/2022 before the Debt Recovery Tribunal, New Delhi against South-West Hydro Power Private Limited (the "**Borrower**") and certain other parties for recovery of ₹735.65 million due as on March 31, 2022, along with *pendente lite* and further interest, on account of default in repayment of financial assistance of ₹202.90 million and additional loan of ₹41.50 million availed by the Borrower for setting up of 5 MW (2x2.5 MW) zonal small hydro power-III project on Devapur Nala (Tributary to the Krishna river), Village Devapura, Surapura Taluk, Gulbarga District, State of Karnataka. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

7. Our Company has filed an original application dated December 30, 2021 and bearing no. 4/2022 before the Debt Recovery Tribunal, New Delhi against Siva Renewable Power and Energy Limited (the "**Borrower**") and certain other parties for recovery of ₹1,296.89 million due as on December 31, 2021, with further interest and liquidated damages on account of default in repayment of loan availed by the Borrower for setting up of 25 MW windfarm project at Vaspet, Jath, District Sangli, Maharashtra. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

8. Our Company has filed an original application dated February 26, 2021 and bearing no. 199/2021 before the Debt Recovery Tribunal, New Delhi against Manali Sugars Limited (the "**Borrower**") and certain other parties for recovery of ₹390.52 million due as on January 31, 2021, with further interest and liquidated damages, on account of default in repayment of loan availed by the Borrower for setting up of 10 MW capacity (revised to 15MW) bagasse based cogeneration project at 2500 TCD Sugar Mill at Village Malaghan, Taluk Sindagi, District Bijapur, State of Karnataka. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

9. Our Company has filed an original application dated February 8, 2021 and bearing no. 260/2021 before the Debt Recovery Tribunal-I, New Delhi against Sri Sai Krupa Sugar & Allied Industries Limited (the "**Borrower**") and certain other parties for recovery of ₹2,510.54 million due as on December 31, 2020, with further interest and liquidated damages, on account of default in repayment of loan availed by the Borrower for setting up of 40 MW cogeneration project at Village Hiradgaon, Taluk Shrigonda, District Ahmednagar, Maharashtra. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

10. Our Company has filed an original application dated May 27, 2022 and bearing no. 562/2022 before the Debt Recovery Tribunal-I, New Delhi against Konark Power Projects Limited (the "**Borrower**") and certain other parties for recovery of ₹255.98 million due as on April 30, 2022, along with *pendente lite* and future interest, cost and charges at contractual rates, on account of default in repayment of loan availed by the Borrower for setting up of 6 MW biomass based power project at Village Ballapura, Tumkur Taluk, Tumkur District, State of Karnataka. The matter is currently pending.

11. Our Company has filed an original application dated May 30, 2022 and bearing no. 569/2022 before the Debt Recovery Tribunal, New Delhi against Lokshakti Sugar and Allied Industries Limited (the "**Borrower**") and certain other parties for recovery of ₹862.17 million due as on April 30, 2022, along with *pendente lite* interest, cost, charges and interest at contractual rates, on account of default in repayment of loan availed by the Borrower for setting up of 14 MW bagasse based cogeneration project set up in the upcoming integrated Sugar Mill Complex at Aurud (Mandrup) Village, South Solapur Taluk, Solapur District, State of Maharashtra. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

    Further, Union Bank of India (the "**Applicant**") has filed an original application bearing number 1018/2022 before the Debt Recovery Tribunal, Pune (the "**DRT, Pune**") against the Borrower and our Company (the "**Defendants**"). A summons dated February 24, 2023 was issued to our Company directing us to file a written statement. However, a copy of the original application in the matter has not been served upon us. Additionally, the DRT, Pune through its order dated August 25, 2023 directed the Applicant to serve the copy of the original application to the Defendants. The matter is currently pending.

12. Our Company has filed an original application dated May 30, 2022 and bearing no. 570/2022 before the Debt Recovery Tribunal, New Delhi against Koganti Power Limited (the "**Borrower**") and certain other parties for recovery of ₹483.24 million, along with *pendente lite*

and future interest and cost, on account of default in repayment of loan availed by the Borrower for setting up of 6.00 MW biomass based power project at Village Yapalaparivi, Sindhanur Taluka, Raichur District, State of Karnataka. The matter is currently pending.

13. Our Company has filed an original application dated May 30, 2022 and bearing no. 573/2022 before the Debt Recovery Tribunal-I, New Delhi against Bhadragiri Power Private Limited (the "**Borrower**") and certain other parties for recovery of ₹737.84 million due as on March 31, 2022, along with *pendente lite* and future interest, cost, and charges at contractual rates, on account of default in repayment of loan availed by the Borrower for setting up of 3 MW (2x1.5 MW) Gondi small hydro project on the Bhadravati River near Chikkagoppanahalli (Village), Bhadravathi (Tehsil), Shimoga (District), State of Karnataka. The matter is currently pending.

14. Our Company has filed an original application dated December 2, 2022 and bearing no. 775/2022 before the Debt Recovery Tribunal, New Delhi against Siddhanath Sugar Mills Limited (the "**Borrower**") and certain other parties for recovery of ₹468.86 million due as on September 30, 2022, along with *pendente lite* interest, cost, charges and future interest at contractual rates, on account of default in repayment of loan availed by the Borrower for setting up of 26 MW (12 MW and 14 MW) bagasse based cogeneration projects at Tirhe Village, North Solapur Tehsil, District Solapur of Maharashtra. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

15. Our Company has filed an original application dated December 17, 2022 and bearing no. 4095/2022 before the Debt Recovery Tribunal, New Delhi against SLS Power Corporation Limited (the "**Borrower**") and certain other parties for recovery of ₹5,547.39 million due as on September 30, 2022, along with *pendente lite* interest, cost, charges and future interest at contractual rates, on account of default in repayment of loan availed by the Borrower for setting up of 26 MW (12 MW and 14 MW) bagasse based cogeneration projects at Tirhe Village, North Solapur Tehsil, District Solapur of Maharashtra. Our Company has also sought directions for sale of movable and immovable properties of the Borrower charged in favour of our Company and to appropriate funds received from such sale towards the amount due to our Company. The matter is currently pending.

16. Our Company filed an original application dated August 26, 2004 and bearing no. 72/2004 before the Debt Recovery Tribunal, New Delhi (the "**DRT, Delhi**") against GSL India Limited (the "**Borrower**") and certain other parties for recovery of ₹229.01 million due as on August 25, 2004, along with *pendente lite* and future interest, on account of default in repayment of loan availed by the Borrower for setting up a 20 MW (9x225 MW) wind farm project at Lamba, District Jamnagar, Gujarat. DRT, Delhi passed the final order in favour of our Company on September 29, 2010. The matter is currently pending for execution of recovery certificate.

17. Our Company had filed an original application dated October 7, 2004 and bearing no. 114/2004 before the Debt Recovery Tribunal, New Delhi (the "**DRT, Delhi**") against Arunachalam Sugar Mills Limited (the "**Borrower**") and certain other parties for recovery of ₹628.79 million, along with *pendente lite* and future interest, due as on October 7, 2004, on account of default in repayment of loan availed by the Borrower for installation of 14 MW bagasse based cogeneration plant at the sugar factory situated at Village Malapambadi, Thiruvannamalai Taluk, State of Tamil Nadu. The DRT, Delhi passed the final order in favour of our Company on June 21, 2016. On June 9, 2023, auction of immovable assets on which charge was created in relation to the loan availed was conducted by the High Court of Madras by our Company. The matter is currently pending for execution of recovery certificate before the Recovery Officer, DRT, Delhi.

18. Our Company filed an original application dated October 15, 2004 and bearing no. 112/2004 before the Debt Recovery Tribunal, New Delhi (the "**DRT, Delhi**") against New Horizon Sugar Mills Limited (the "**Borrower**") and certain other parties for recovery of ₹200.45 million, along with *pendente lite* and future interest, as on October 15, 2004, on account of default made in repayment of loan availed by New Horizon Sugar Mills Limited for lease financing of energy efficiency equipment to be installed at Arunachalam Sugar Mills Limited (co-defendant), a new sugar mill of capacity of 2500 TCD being set up at Arunachalam Nagar, Village & P.O.

Malapambadi, Thirvannamalai Tehsil and District, State of Tamil Nadu. The DRT, Delhi has passed the final order in favour of our Company on February 8, 2016. Immovable assets on which charge was created in relation to the loan availed by New Horizon Sugar Mills Limited were auctioned on June 9, 2023 before the High Court of Madras. The matter is pending for execution of recovery certificate before the Recovery Officer, DRT, Delhi.

19. Our Company filed an appeal dated October 20, 2018 and bearing no. 311/2018 in the Debt Recovery Appellate Tribunal, Kolkata (the "**DRAT, Kolkata**") against the interim order dated September 12, 2018 passed by the Debt Recovery Tribunal, Vishakhapatnam (the "**DRT, Vishakhapatnam**") staying the proceedings initiated by our Company under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI Act**") against Saradambika Power Plant Private Limited (the "**Borrower**") (the "**Impugned Order**"). Our Company granted a loan of ₹219.00 million to the Borrower for setting up of 10 MW Biomass Power Project at Chimur (mini) Industrial Area, Chimur, Chandrapur District, Maharashtra (the "**Loan**"). On account of default in repayment of the Loan, our Company issued notices under the SARFAESI Act seeking repayment of ₹279.87 million along with further interest, liquidated damages, and other monies. Further, our Company issued possession and sale notices dated November 21, 2017 and August 06, 2018, respectively. The Borrower challenging this, filed an application before the DRT, Vishakhapatnam whereunder a stay was granted by way of the Impugned Order. The matter is currently pending.

20. An application has been filed by our Company before the National Company Law Tribunal, Ahmedabad (the "**NCLT, Ahmedabad**") against the reconsideration and approval extended by the committee of creditors (the "**CoC**") on the Resolution Plan of Suraksha Consortium (the "**Resolution Plan**") including Wind World (India) Limited as the financial debtor, after the same was rejected by the CoC earlier. Being a member of the CoC, in its capacity as a financial creditor, our Company has, *inter alia*, alleged discriminatory treatment by the Resolution Professional (the "**RP**") and wrong categorisation in relation to its dues. A claim for ₹2,074.73 million was filed by our Company with the RP as on February 2, 2018, together with interest at the contractual rates, additional interest and other charges, out of which, an amount of ₹180.14 million was admitted by the RP as the claim of our Company. The Resolution Plan in the matter was rejected by NCLT, Ahmedabad pursuant to its order dated August 24, 2022 (the "**Order**"), and an appeal has been filed by the CoC before the National Company Law Appellate Tribunal, Delhi (the "**NCLAT, Delhi**"), against the Order. The RP has also separately filed an appeal in NCLAT, Delhi against the order of NCLT, Ahmedabad which confirmed the continuation of SARFAESI action against sub stations projects no. 2005 and 2055 initiated by our Company. Further, the matter with regard to payment of usage charges of sub-station project is pending before NCLT, Ahmedabad for final adjudication.

21. Our Company has filed insolvency resolution application on February 22, 2018 before the National Company Law Tribunal, Mumbai (the "**NCLT, Mumbai**") for initiating corporate insolvency resolution process against Shri Saikrupa Sugar & Allied Limited (the "**Borrower**") on account of default in repayment of term loan of ₹1,210.39 million availed by the Borrower for a 40MW cogeneration project at Village Hiradgaon, Taluk Shrigonda, District Ahmednagar, Maharashtra. The claim of our Company as on December 31, 2017 amounted to ₹1,657.30 million, together with interest at contractual rates along with additional interest and other charges. Vide order dated February 9, 2023, the NCLT, Mumbai dismissed the application filed by our Company on account of limitation. Our Company has filed an appeal dated March 13, 2023 against the dismissal order dated February 9, 2023 passed by the NCLT, Mumbai, before the National Company Law Appellate Tribunal, Delhi (the "**NCLAT, Delhi**"). The matter is currently pending.

22. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Amaravati (the "**NCLT, Amaravati**") against Saradambika Power Plant Private Limited (the "**Corporate Debtor**") on November 16, 2020. The CIRP application has been filed on account of default in repayment of ₹461.21 million, together with interest at contractual rates, additional interest and other charges, owed by the Corporate Debtor to our Company, in respect of the financial facilities availed by the Corporate Debtor for setting up of 10 MW Biomass Power Project at Chimur, Maharashtra. The CIRP application was admitted on April 18, 2022. Since no viable proposals for revival of the Corporate Debtor were received during the CIRP, our Company was permitted to enter into

liquidation process under the Insolvency and Bankruptcy Code, 2016 by the NCLT Amravati on February 3, 2023. Our Company has filed its claim form with the Insolvency Resolution Professional on March 3, 2023 amounting to ₹632.67 million, as on February 3, 2023.The matter is currently pending.

23. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Mumbai (the "**NCLT Mumbai**") against Lokshakti Sugars & Allied Industries Limited (the "**Corporate Debtor**") on December 17, 2020. The CIRP application has been filed on account of default in repayment of ₹951.33 million, as on January 17, 2023, together with interest at contractual rates, additional interest and other charges, to our Company in respect of the financial facilities availed by the Corporate Debtor for setting up a 14 MW bagasse-based cogeneration plant in its upcoming integrated 3500 TCD Sugar Mill at Aurud (Mandeup) Village, South Solapur Taluk, Solarur District, Maharashtra. The CIRP application was admitted on January 11, 2023. The matter is currently pending.

24. Bank of India has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Chennai against Dharani Sugars Private Limited (the "**Corporate Debtor**"). The CIRP application was admitted on July 29, 2021. Our Company has filed the claim form with the Insolvency Resolution Professional on August 12, 2021 amounting to ₹1,059.83 million as on July 29, 2021. The matter is currently pending.

25. E2E Teleink India Private Limited has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Chandigarh against Cambridge Energy Resources Private Limited (the "**Corporate Debtor**"). As on March 31, 2021, dues owed by the Corporate Debtor to our Company amounted to ₹324.30 million. The CIRP application was admitted on March 26, 2021. Our Company has filed the claim form with the Insolvency Resolution Professional on April 13, 2021. The matter is currently pending.

26. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Delhi against Taxus Infra & Power Projects Limited (the "**Corporate Debtor**") on June 15, 2021. The CIRP application has been filed on account of default in repayment of ₹698.37 million, inclusive of interest and liquidated damages owed by the Corporate Debtor to our Company as on October 10, 2022. The CIRP application was admitted on October 10, 2022. Our Company has filed the claim form with the Insolvency Resolution Professional on October 19, 2022 amounting to ₹698.37 million. The matter is currently pending.

27. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Chandigarh against Naraingarh Sugar Mills Limited (the "**Corporate Debtor**") on June 15, 2021. The CIRP application has been filed on account of default in repayment of ₹1,332.32 million owed by the Corporate Debtor to our Company as on March 31, 2021. The matter is currently pending.

28. An application has been filed by the Government of India against IL&FS in the National Company Law Appellate Tribunal, Delhi (the "**NCLAT, Delhi**"). As on June 30, 2019, dues owed to our Company amounted to ₹754.55 million in relation to the term loan extended to Mahidad Wind Energy Private Limited and ₹746.31 million in relation to the commercial paper subscribed by our Company from IL&FS. Our Company has filed a claim against Mahidad Wind Energy Private Limited on July 23, 2019 and against IL&FS on August 5, 2019. The matter is currently pending.

29. Our Company has filed a petition before the National Company Law Tribunal, Delhi (the "**NCLT, Delhi**") on April 1, 2021 against the rejection of our Company's claim by the Resolution Professional (the "**RP**") in respect to the corporate insolvency resolution process (the "**CIRP**") initiated by Dynacon Projects Private Limited against Today Homes Infrastructure Private Limited (the "**Corporate Debtor**"). The CIRP was approved by the NCLT, Delhi on October 31, 2019. Our Company has filed a claim against the Corporate Debtor on account of default in repayment of ₹3,609.51 million owed to our Company as on October

31, 2019 by the Corporate Debtor as a guarantor. The claim was rejected by the RP through email communications dated July 13, 2020 and January 23, 2021. The matter is currently pending.

30. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Bengaluru (the "**NCLT, Bengaluru**") against Bhadragiri Power Private Limited (the "**Corporate Debtor**") on January 25, 2022. The CIRP application has been filed on account of default in repayment of ₹817.48 million as on December 2, 2022 availed by the Corporate Debtor for setting up of 3 MW (2x1.5 MW) gondi small hydro project on the Bhadravathi River near Chikkagoppanahalli (Village), Bhadravathi (Tehsil), Shimoga (District), Karnataka. The CIRP application was admitted on December 2, 2022. Our Company has filed the claim form with the Resolution Professional on January 2, 2023 for a claim amounting to ₹817.48 million as on December 2, 2022. The matter is currently pending.

31. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Bengaluru (the "**NCLT, Bengaluru**") against Shree Basaveshwar Sugars Limited (the "**Corporate Debtor**") on February 22, 2022. The CIRP application has been filed on account of default in repayment of ₹1,782.52 million as on December 31, 2021 in respect of financial facilities availed by the Corporate Debtor for setting up of 26 MW bagasse based cogeneration project in the proposed integrated Sugar Complex with an installed sugar plant capacity of 3500 TCD and multi-product distillation unit with a capacity of 50 KLPD at Village Karjol, District Bijapur, State of Karnataka. The matter is currently pending.

32. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Amaravati (the "**NCLT, Amaravati**") against SLS Power Corporation Limited (the "**Corporate Debtor**") on February 2, 2022. The CIRP application has been filed on account of default in repayment of ₹4,880.07 million as on December 31, 2021 in respect of financial facilities availed by the Corporate Debtor for setting up of dummagudem mini hydel project of 24 MW capacity on the Godavari River at Dummagudem Village, Dummagudem Taluk, Khammam District, State of Andhra Pradesh. The matter is currently pending.

33. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Mumbai (the "**NCLT, Mumbai**") against Sidhanath Sugar Mills Limited (the "**Corporate Debtor**") on May 26, 2022. The CIRP application has been filed on account of default in repayment of ₹482.62 million, plus interest, liquated damages and other monies, as on March 31, 2022, in respect of financial facilities availed by the Corporate Debtor for setting up of 26 MW (12 MW and 14 MW) bagasse based cogeneration project at the Tirhe Village, North Solapur Tehsil, Solapur District, State of Maharashtra. The matter is currently pending.

34. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Hyderabad (the "**NCLT, Hyderabad**") against Vamshi Rubbers Limited (the "**Corporate Debtor**") on January 28, 2023. The CIRP application has been filed on account of default in repayment of ₹541.26 million as on December 31, 2022, in respect of financial facilities availed by the Corporate Debtor for setting up a 4 MW biomass based power generation plant at Village Vemulapalli, Mandapet Mandal, East Godavari District, State of Andhra Pradesh. The matter is currently pending.

35. Our Company has filed an application for the initiation of corporate insolvency resolution process (the "**CIRP**") before the National Company Law Tribunal, Kolkata (the "**NCLT, Kolkata**") against JHV Sugars Limited (the "**Corporate Debtor**") on April 28, 2023. The CIRP application has been filed on account of default in repayment of ₹249.50 million as on March 31, 2022 in respect of financial facilities availed by the Corporate Debtor for setting up a 20 MW bagasse based cogeneration project in the integrated sugar complex which has sugar plant capacity of 4500 TCD (further to be expanded to 6500 TCD) at Village Gaduara, Tehsil Nichlaul, District Maharajganj, State of Uttar Pradesh. The matter is currently pending.

36. Our Company in the capacity of a secured financial creditor of Manali Sugars Limited (the "**Corporate Debtor**"), filed an appeal under Section 61(1) of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Appellate Tribunal, Chennai (the "**NCLAT, Chennai**") against the Committee of Creditors of the Corporate Debtor (the "**Respondent**") and certain other parties on November 30, 2022 to set aside the order of the National Company Law Tribunal, Bengaluru dated October 18, 2022 (the "**Impugned Order**"). The Impugned Order emanated from a claim of ₹397.36 million as on March 23, 2021, filed by our Company in respect to the loan facilities availed by the Corporate Debtor for setting up of 15 MW bagasse-based cogeneration project with 2500 TCD, Sugar Mill at Village Malaghan, Karnataka. The Impugned Order approved the corporate insolvency resolution process of the Corporate Debtor and further categorized certain creditors as secured creditors instead of unsecured creditors (the "**Other Creditors**") despite our Company having a prior charge on the assets of the Corporate Debtor. Under the terms of the loan facilities, the Corporate Debtor failed to obtain prior approval of our Company before creating charge or encumbrance on its assets. Accordingly, our Company has prayed for the other Creditors to be declared invalid and a revised resolution plan to be submitted. The matter is currently pending.

37. Our Company filed an appeal dated August 25, 2023 under Section 61(1) of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Appellate Tribunal, Chennai (the "**NCLAT, Chennai**") against the order dated July 20, 2023 passed by the National Company Law Tribunal, Bengaluru (the "**NCLT, Bengaluru**") dismissing the application filed by our Company seeking to initiate corporate insolvency resolution process against Sai Spurthi Power Private Limited (the "**Impugned Order**"). Our Company advanced a term loan of ₹138.75 million to Bhadragiri Power Private Limited (the "**Borrower**") for setting up 3 MW (2 Nos. 1.5 MW) Gondi Small Hydro Project at Bhadravathi river (the "**Loan**"). Sai Spurthi Power Private Limited (the "**Guarantor**") provided a corporate guarantee vide a deed of guarantee dated March 26, 2008 to secure the Loan (the "**Guarantee**"). On account of default in repayment by the Borrower, our Company issued a notice dated February 24, 2015 to the Guarantor to invoke the Guarantee. The Guarantor filed a suit dated February 27, 2018 and bearing number O.S. No. 147/2018 before the City Civil Court, Hyderabad seeking a declaration that the Guarantee is invalid and further an injunction against the invocation of the Guarantee. On account of default, our Company filed an application dated February 24, 2022 before NCLT, Bengaluru against the Guarantor which was subsequently dismissed by the Impugned Order. The matter is currently pending.

38. Our Company has filed a petition bearing number Crl.Misc.No. 155 of 2023 on August 24, 2023 under Section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI Act**") before the Court of Chief Judicial Magistrate, Davanagere (the "**CJM**") against Wind World (India) Infrastructure Private Limited (the "**Borrower**"). Our Company granted a loan of ₹900 million to the Borrower for setting up various projects in the state of Karnataka (the "**Loan**"). The Loan was further secured by the Borrower by hypothecating and mortgaging movable and immovable properties in favour of our Company. On account of default in repayment of dues under the Loan our Company initiated proceedings under the SARFAESI Act. Our Company issued a demand notice dated June 3, 2021 for outstanding balance of ₹1,032.90 million and further, a possession notice dated April 25, 2023. The matter is currently pending.

39. Our Company has filed a petition bearing number Crl.M.P.No. 99 of 2023 on August 9, 2023 under Section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI Act**") before the Court of Chief Judicial Magistrate, Haveri (the "**CJM**") against Wind World (India) Infrastructure Private Limited (the "**Borrower**"). Our Company granted a loan of ₹900 million to the Borrower for setting up various projects in the State of Karnataka (the "**Loan**"). The Loan was further secured by the Borrower by hypothecating and mortgaging movable and immovable properties in favour of our Company. On account of default in repayment of dues under the Loan, our Company initiated proceedings under the SARFAESI Act. Our Company issued a demand notice dated May 12, 2021 for outstanding balance of ₹682.90 million and further, a possession notice dated April 25, 2023. The matter is currently pending.

II. Litigation involving our Directors

Litigation against our Directors

Actions taken by Regulatory and Statutory Authorities

Nil

Criminal Litigation

Nil

Material Civil Litigation

Nil

Litigation by our Directors

Actions taken by Regulatory and Statutory Authorities

Nil

Criminal Litigation

Nil

Material Civil Litigation

Nil

III. Tax Claims

Except as disclosed below, there are no outstanding litigations involving claims related to direct and/or indirect taxes involving our Company and the Directors.

Nature of case	Number of Cases	Amount in dispute/demand (in ₹ million)*#
Litigation involving or Company		
Direct Tax	12	2,236.63
Indirect Tax	3	1,890.54
Litigation involving our Directors		
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

* *To the extent quantifiable*
# *Excluding interest*

Outstanding dues to Creditors

As of September 30, 2023, our Company has 35 creditors, and the aggregate outstanding dues to these creditors by our Company are ₹343.11 million. Further, our Company owes an amount of ₹1.96 million to 10 micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, as amended.

Details of outstanding dues owed to material creditors, micro, small and medium enterprises and other creditors as of September 30, 2023 are set out below:

Type of Creditors	Number of Creditors	Amount (in ₹ million)*
Micro, small and medium enterprises#	10	1.96
Material creditors	3	336.44
Other creditors	22	4.71
Total outstanding dues	**35**	**343.11**

* *As certified by DSP & Associates, Chartered accountants, pursuant to their certificate dated November 11, 2023.*
# *As defined under the Micro, Small and Medium Enterprises Development Act, 2006.*

As per the materiality policy, creditors of our Company to whom our Company owe an amount having a monetary value exceeding 1% of the total trade payables of our Company as of September 30, 2023 (i.e., to whom our Company owes an amount having a monetary value exceeding an amount of ₹3.43 million as of September 30, 2023) have been considered as 'material' creditor.

The details pertaining to outstanding dues towards our material creditors are available on the website of our Company, along with their names and the amount involved for each such creditor at https://www.ireda.in/home.

Material Developments

Except as disclosed below, no material developments, since the date of the last financial statement disclosed in this Prospectus, have taken place which materially and adversely affect or are likely to affect the trading or profitability of the Company, or the value of its assets, or its ability to pay its liabilities within the next 12 months:

S No.	Description of security	Listed on stock exchange	Date of issue	Rate of interest (p.a.)	No. of securities	Face value (₹)	Total amount (₹ in million)	Maturity date	ISIN
1.	Unsecured, redeemable, non-cumulative, taxable, non-convertible bonds in the nature of debentures	NSE and BSE	October 12, 2023	7.75%	68,300	100,000	6,830	October 12, 2033	INE202E08136

GOVERNMENT AND OTHER APPROVALS

*We have set out below a list of material approvals, consents, licences and permissions from various governmental and regulatory authorities obtained by our Company which are considered material and necessary for the purpose of undertaking our business activities and operations ("**Material Approvals**"). In view of the approvals listed below, our Company can undertake this Offer and its business activities, as applicable. In addition, certain of our Material Approvals may have lapsed or expired or may lapse in their normal course and our Company has either already made applications to the appropriate authorities for renewal of such Material Approvals or is in the process of making such renewal applications in accordance with applicable requirements and procedures. Unless otherwise stated, Material Approvals as set out below, are valid as on date of this Prospectus.*

For further details in connection with the regulatory and legal framework within which we operate, see "Key Regulations and Policies in India" on page 264.

I. Material Approvals in relation to the Offer

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 589.

II. Incorporation related approvals of our Company

1. Certificate of incorporation dated March 11, 1987 as a public limited company under the Companies Act, 1956, under the name "Indian Renewable Energy Development Agency Limited", issued by the Registrar of Companies, Delhi and Haryana.

2. Certificate of commencement of business dated March 21, 1987, issued by the Registrar of Companies, Delhi and Haryana.

3. Notification (S.O. No.843) dated October 17, 1995 issued by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India notified our Company as a public financial institution under Section 4A of the Companies Act, 1956.

4. Letter dated June 2, 2015, issued by the Ministry of New and Renewable Energy, Government of India, conferring the Mini-Ratna status (Category-I Central Public Sector Enterprise) on our Company.

5. Change in the Corporate Identity Number of our Company from U40108DL1987GOI027265 to U65100DL1987GOI027265 pursuant to the notice issued by the Registrar of Companies regarding aligning the activity code of our Company with the National Classification Code – 2004, without changing our object.

For details in relation to incorporation of our Company, see "*History and Certain Corporate Matters*" on page 277.

III. Material Approvals in relation to our business operations of our Company

For information on our business operations, see "*Our Business*" on page 219 to 263.

An indicative list of the material approvals required by us to undertake our businesses are set out below:

1. *Material Approvals in relation to our business operations*

Synchronization certificate issued on September 13, 2017 certifying synchronizations of the entire capacity of the 50 MW solar photovoltaic power project by our Company at in the Ambalathara solar park, Kasaragod district, in the state of Kerala.

2. Registrations under employment laws

The registrations and approvals obtained by our Company under applicable labour laws, include the following:

(a) Pursuant to an order (No. S-35015/76/2009-SS-II) dated June 08, 2009, the Central Government has exempted our Company from operation of the Employees' Provident Funds Scheme 1952 with effect from March 01, 1994. The exemption has been given in accordance with section 17(1)(a) of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

(b) Pursuant to an order (No. CIT-I/HQ/Gratuity/93-94/951) dated September 27, 1993, the Commissioner of Income Tax has approved our Employment Gratuity Fund with effect from October 11, 1991. The approval has been given in accordance with rule 2(1) of part C of the fourth schedule of the Income Tax Act, 1961.

(c) Pursuant to a trust deed dated April 25, 1988, a provident fund was set up in the name of Indian Renewable Energy Development Agency Limited Employees Contributory Provident Fund with effect from May 1, 1987.

3. Tax related approvals

(a) Permanent Account Number AAACI1384C issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961.

(b) Tax Deduction Account Number DELI04162E issued by the Income Tax Department, Government of India, under the Income tax Act, 1961.

(c) GST Registration Number 07AAACI1384C1ZZ issued by the Goods and Services Tax Department for our corporate office under the Delhi Goods and Service Tax Act, 2017.

(d) GST Registration Number 32AAACI1384C1Z6 issued by the Goods and Services Tax Department for our project in the state of Kerala under the Delhi Goods and Service Tax Act, 2017 and the Kerala Goods and Services Tax Act, 2017.

(e) GST Registration Number as a Tax Deductor 07AAACI1384C1D8 issued by the Goods and Services Tax Department under the Delhi Goods and Service Tax Act, 2017.

4. Regulatory Approvals

(a) The Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India on October 17, 1995 notified our Company as a public financial institution under Section 4A of the Companies Act, 1956.

(b) The Reserve Bank of India granted a certificate of registration to our Company on January 23, 2008, permitting us to commence/carry on the business of non-banking financial company without accepting public deposits, classifying our Company as an investment and credit company.

(c) The Reserve Bank of India reclassified our Company as an infrastructure finance company on March 13, 2023, permitting us to commence/carry on the business of non-banking financial company without accepting public deposits, classifying our Company as an infrastructure finance company.

(d) The Department of Public Enterprises, Ministry of Finance, Government of India, *vide* its office memorandum dated September 27, 2023, upgraded our Company to 'Schedule A' Central Public Sector Enterprise.

(e) The LEI code number 335800AXWFKW4BC99J48 granted by the Legal Entity Identifier India Limited on September 11, 2022.

IV. Licenses/ approvals applied for but not received.

Except as disclosed below, as on date of this Prospectus, there are no other licenses/ approvals which our Company has applied to obtain but has not received:

(a) Our Company through letter dated May 12, 2022, to the Ministry of New and Renewable Energy, Government of India, has applied for grant of the 'Navratna' status to the Company. The Ministry of New and Renewable Energy, Government of India, has approved the proposal and through its order dated January 27, 2023, has forwarded the proposal to the Department of Public Enterprises, Ministry of Finance, Government of India for its approval.

V. Licenses/ approvals which are required but not yet applied for.

As on date of this Prospectus, there are no other licenses/ approvals which are required by our Company but have not been applied for.

VI. Intellectual Property

As on the date of this Prospectus, our Company holds the following trademark registration. For further details, see "*Our Business – Intellectual Property*" on page 261.

Description	Trademark Number	Class	Nature of Mark
	3703589	36	Image Mark

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

The Offer has been authorised by a resolution of our Board of Directors dated September 2, 2023 and the Fresh Issue has been authorised by a special resolution of our Shareholders dated September 4, 2023. The Promoter Selling Shareholder consented to offer up to 268,776,471 Equity Shares as part of the Offer for Sale through its letter dated September 5, 2023. Further, our Board has taken on record this consent letter of the Promoter Selling Shareholder for participation in the Offer for Sale pursuant to its resolution dated September 7, 2023.

The Board had approved the Draft Red Herring Prospectus and the Red Herring Prospectus pursuant to resolutions dated September 7, 2023 and November 11, 2023, respectively.

The Board has approved this Prospectus pursuant to its resolution dated November 24, 2023.

The Promoter Selling Shareholder has confirmed that the Equity Shares offered and sold in the Offer are eligible in terms of SEBI ICDR Regulations and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Promoter Selling Shareholder has also confirmed that he is the legal and beneficial owner of the Equity Shares offered by him under the Offer for Sale.

In-principle listing approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated October 3, 2023.

Prohibition by SEBI, RBI, RoC or other governmental authorities

Our Company, Promoter/Promoter Selling Shareholder or our Directors have not been prohibited from accessing the capital market and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

Our Promoter and Directors are not promoter or director of any other company which is debarred from accessing the capital markets by the SEBI.

Our Company, Promoter and Directors have not been declared as Wilful Defaulters or a Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on Wilful Defaulters or Fraudulent Borrowers issued by the RBI.

Our Promoter or Directors have not been declared as Fugitive Economic Offenders.

None of our Directors are appearing in the list of directors of struck-off companies by the RoC or MCA.

Directors associated with the securities market

None of our Directors, are associated with the securities market in any manner including securities market related business, and there has been no action taken by SEBI against our Directors or any entity in which any of our Directors are involved as a promoter or director in the five years preceding the date of this Prospectus.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

We are a government company, and our Promoter is the President of India acting through the Ministry of New and Renewable Energy. Our Promoter, along with its nominees, currently holds 100.00% of the pre-Offer paid-up equity share capital of our Company. Section 89 of the Companies Act, 2013, which deals with declaration in respect of beneficial interest in any share, is not applicable to the Government Companies. Accordingly, the Companies (Significant Beneficial Ownership) Rules, 2018 ("**SBO Rules**") are not applicable to us in terms of Rule 8 of the SBO Rules.

Eligibility for the Offer

Our Company confirms that it is not ineligible to make the Offer in terms of the SEBI ICDR Regulations, to the extent applicable.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Prospectus. For further information, see "*Capital Structure*" on page 97.

Our Company is eligible for the Offer in accordance with the Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹30 million, calculated on a restated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets.

- Our Company has an average operating profit of at least ₹150 million, calculated on a restated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;

- Our Company has a net worth of at least ₹10 million in each of the preceding three full years (of 12 months each), calculated on a restated basis; and

- Our Company has not changed its name within the last one year.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profit, and net worth derived from the Restated Financial Information included in this Prospectus for the last three Financial Years, are set forth below. Our Company did not have any subsidiary or associate company in the Financial Years ended March 31, 2022 and March 31, 2023 and accordingly, the financial information of our Company for such periods is only available on a standalone basis.

(₹ in million)

S. No.	Particulars	Financial Year ended March 31, 2023 (Standalone)	Financial Year ended March 31, 2022 (Standalone)	Financial Year ended March 31, 2021 (Consolidated)
1.	Net tangible assets, as restated(1)	59,302.99	52,649.56	29,954.94
2.	Monetary assets, as restated(2)	1,805.97	1,751.87	2,384.25
3.	Monetary assets as a percentage of net tangible assets (%), as restated	3.05	3.33	7.96
4.	Operating profit, as restated(3)	11,392.49	8,338.40	5,695.16
5.	Average operating profit	8,475.35		
6.	Net worth, as restated(4)	59,351.69	52,681.13	29,956.00

* *Amounts in the above computation are derived from the Restated Financial Information for the respective year ends.*

Notes:

(1) *"Net Tangible Assets" mean the sum of all net assets (net of provision on non-performing advances, provision on tax, provision for depreciation on Fixed Assets and Investments) of the Company excluding intangible assets as defined in Accounting Standard 26 (AS 26), issued by the Institute of Chartered Accountants of India. It also excludes deferred tax assets and standard asset provisions which are not netted off in the restated summary statement of assets and liabilities.*

(2) *"Monetary assets" means cash and cash equivalents and bank balances other than cash and cash equivalents (excludes bank deposits with remaining maturity of more than twelve months and fixed deposits held as margin money).*

(3) *"Operating profit" is defined as the restated profit before tax after adjusting other income, loss on sale of investments, lease rentals written off, interest income written off.*

(4) *"Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

Our Company is in compliance with the conditions specified in Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 and 7(1) of the SEBI ICDR Regulations are as follows:

(a) Our Company, Promoter Selling Shareholder and our Directors are not debarred from accessing the capital markets by SEBI;

(b) The companies with which our Directors or our Promoter are associated as a promoter or director are not debarred from accessing the capital markets by SEBI;

(c) Neither our Company, Promoter Selling Shareholder nor our Directors is a wilful defaulter or fraudulent borrower (as defined in the SEBI ICDR Regulations);

(d) None of our Directors has been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;

(e) There are no outstanding convertible securities of our Company or any other right which would entitle any person with any option to receive Equity Shares of our Company as on the date of filing of this Prospectus;

(f) Our Company along with the Registrar to the Offer has entered into tripartite agreements dated February 8, 2018 and February 21, 2018 with CDSL and our NSDL, respectively, for dematerialisation of the Equity Shares;

(g) There is no requirement for us to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards 75% of the stated means of finance;

(h) The Equity Shares of our Company held by our Promoter are in the dematerialized form; and

(i) All the Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall not be less than 1,000, failing which the entire application monies shall be refunded forthwith. In case of delay, if any, in refund within such timeline as prescribed under applicable laws, our Company shall be liable to pay interest on the application money in accordance with applicable laws.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING IDBI CAPITAL MARKETS & SECURITIES LIMITED, BOB CAPITAL MARKETS LIMITED AND SBI CAPITAL MARKETS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE PROMOTER SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE PROMOTER SELLING SHAREHOLDER, DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER , BEING IDBI CAPITAL MARKETS & SECURITIES LIMITED, BOB CAPITAL MARKETS LIMITED AND SBI CAPITAL MARKETS LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 7, 2023, IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Disclaimer from our Company, our Directors, the Promoter Selling Shareholder, and the Book Running Lead Managers

Our Company, our Directors, the Promoter Selling Shareholder and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.ireda.in, would be doing so at his/her own risk. The Promoter Selling Shareholder accepts or undertakes no responsibility for any statements, disclosures or undertakings other than those specifically undertaken or confirmed by the Promoter Selling Shareholder in relation to itself or the Offered Shares.

The Book Running Lead Managers accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the Promoter Selling Shareholder (to the extent that the information pertain to itself and the Offered Shares), and the Book Running Lead Managers, to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at roadshow presentations, in research or sales reports, at Bidding Centres or elsewhere.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, Book Running Lead Managers, Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, allot, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Promoter Selling Shareholder, Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The Book Running Lead Managers and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Promoter Selling Shareholder, and their respective directors, officers, affiliates or associates or third parties, as applicable, in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with or become customers to our Company, the Promoter Selling Shareholder, and their respective directors, officers, affiliates or associates or third parties, as applicable, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI) and permitted Non-Residents including FPIs and Eligible NRIs and AIFs that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

The Red Herring Prospectus did not constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus or this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Delhi only. No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Promoter Selling Shareholder from the date hereof or that the information contained herein is correct as of any time subsequent to this date. The Red Herring Prospectus did not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer were made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprised the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Bidders have been advised to ensure that any Bid from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law.

Eligibility and Transfer Restrictions

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. federal, state or other securities laws. The Equity Shares may not be transferred or resold except as permitted under the U.S. Securities Act, the applicable state securities laws and any applicable non-U.S. securities laws, pursuant to registration or exemption therefrom. Our Company will not be registered as an investment company under the U.S. Investment Company Act of 1940, as amended (the "**Investment Company Act**") and accordingly is not subject to the protections of the Investment Company Act. Accordingly, the Equity Shares are being offered and sold (a) to persons in the United States and to U.S. Persons who are both, (i) "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act and referred to in this Prospectus as "**U.S. QIBs**"), and (b) Qualified Purchasers ("**QPs**"), as defined in Section 2(a)(51) of the Investment Company Act (persons who are both a U.S. QIB and a QP are referred to as "**Entitled QPs**"), pursuant to Rule 144A under the U.S. Securities Act and in accordance with Section 3(c)(7) of the Investment Company Act, and (ii) to persons who are not U.S. Persons outside the United States, pursuant to Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made.

For the avoidance of doubt, the term "U.S. QIBs" does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Prospectus as "QIBs".

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Our Company may be a "covered fund" for purposes of the "Volcker Rule" contained in the Dodd-Frank Act (Section 619: Prohibitions on Proprietary Trading and Certain Relationships with Hedge Funds and Private Equity Funds). Accordingly, entities that may be "covered banking entities" for the purposes of the Volcker Rule may be restricted from holding the Company's securities and should take specific advice before making an investment in our Company.

Until the expiry of 40 days after the commencement of this Offer, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in this Offer) may violate the registration requirements of the U.S. Securities Act if such an offer for sale is made otherwise than in compliance with the available exemptions from registration under the U.S. Securities Act.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company, the Promoter Selling Shareholders and the BRLMs that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser (i) is a U.S. QIB and a QP, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB and a QP with respect to which it exercises sole investment discretion; the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US$250,000 or its equivalent in another currency;

4. the purchaser is not an affiliate of our Company or the Promoter Selling Shareholders or a person acting on behalf of an affiliate of our Company or the Promoter Selling Shareholders;

5. the purchaser acknowledges that the Company has not registered, and does not intend to register, as an "investment company" (as such term is defined under the U.S. Investment Company Act) and that the Company has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. Persons described herein so that the Company will qualify for the exception provided under Section 3(c)(7) of the U.S. Investment Company Act and will have no obligation to register as an investment company. The purchaser, and each person for which it is acting, also understands and agrees that the Company and the BRLMs shall have the right to request and receive such additional documents, certificates, representations and undertakings, from time to time, as they may deem necessary in order to comply with applicable legal requirements, including a U.S. investment representation letter forming part of the Bid cum Application Form;

6. the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than US$25 million in securities of issuers unaffiliated with such broker-dealer;

7. the purchaser understands that, subject to certain exceptions, to be a QP, entities must have US$25 million in "investments" (as defined in Rule 2a51-1 of the U.S. Investment Company Act);

8. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

9. the purchaser is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding the assets of such plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;

10. the purchaser is not managed as a device for facilitating individual investment decisions of beneficial owners, but rather is managed as a collective investment vehicle;

11. the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US$250,000 or its equivalent in another currency;

12. it, and each person for which it is acting, was not formed, reformed or recapitalized for the purpose of investing in the Equity Shares and/or other securities of the Company;

13. if the purchaser, or any person for which it is acting, is an investment company excepted from the U.S Investment Company Act pursuant to Section 3(c)(1) or Section 3(c)(7) thereof (or a foreign investment company under section 7(d) thereof relying on Section 3(c)(1) or 3(c)(7) with respect to its holders that are U.S. persons) and was formed on or before April 30, 1996, it has received the consent of its beneficial owners who acquired their interests on or before April 30, 1996, with respect to its treatment as a QP in the manner required by Section 2(a)(51)(C) of the U.S. Investment Company Act and the rules promulgated thereunder;

14. the purchaser, and each person for which it is acting, is not a partnership, common trust fund, or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners,

beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investments to be made, or the allocation thereof unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both U.S. QIBs and QPs;

15. the purchaser, and each person for which it is acting, has not invested more than 40.0% of its assets in the Equity Shares (or beneficial interests therein) and/or other securities of the Company after giving effect to the purchase of the Equity Shares (or beneficial interests therein) (unless all of the beneficial owners of such entity's securities are both U.S. QIBs and QPs);

16. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an "offshore transaction" complying with Rule 903 or Rule 904 of Regulation S under the Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre - arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE). The purchaser agrees not to effect any sale, pledge or other transfer of any Equity Shares in a transaction unless the purchaser first executes a US Resale Letter in the form of Annexure A to this Prospectus and delivers such letter to the Company prior to the settlement if any, of the sale, pledge or other transfer of the Equity Shares that is not consummated on BSE or NSE. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

17. is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

18. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resales of any such Equity Shares;

19. the purchaser will not deposit or cause to be deposited such Equity Shares into any depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act;

20. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

    THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, (2) IN A OFFSHORE TRANSACTION COMPLYING WITH REGULATION S UNDER THE U.S. SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), OR (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

    THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH

HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.

21. the purchaser agrees that neither the purchaser, nor any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), nor any person acting on behalf of the purchaser or any of its affiliates (as defined in Rule 405 of the U.S. Securities Act), will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or any "general solicitation" or "general advertising" (as defined in Regulation D under the U.S. Securities Act) in the United States in connection with any offer or sale of the Equity Shares;

22. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold and agrees not to act as a swap counterparty or other type of intermediary whereby any other party will acquire an economic interest or beneficial interest in the Equity Shares acquired or reoffer, resell, pledge or otherwise transfer the Equity Shares or any beneficial interest therein, to any person except to a person that meets all of the requirements above and who agrees not to subsequently transfer the Equity Shares or any beneficial interest therein except in accordance with these transfer restrictions;

23. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, off icers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

24. the purchaser understands and acknowledges that the Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes , in part, any entity that would be an investment company under the U.S. Investment Company Act but f or the exclusions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because the Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered a "covered fund". Accordingly, "banking entities" that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption under the Volcker Rule. Each purchaser must make its own determination as to whether it is a "banking entity" subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and

25. the purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Equity Shares and is aware that there are substantial risks incidental to the purchase of the Equity Shares and is able to bear the economic risk of such purchase; and the purchaser acknowledges that the Company, the Promoter Selling Shareholders, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company , and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

All Other Equity Shares Offered and Sold in this Offer

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with our Company, the Promoter Selling Shareholders and the BRLMs that it has received a copy of this Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;

2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;

3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

4. the purchaser is not purchasing the Equity Shares as a result of any "directed selling efforts" (as such term is defined in Rule 902 of Regulation S under the U.S. Securities Act);

5. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;

6. the purchaser is not an affiliate of our Company or the Promoter Selling Shareholders or a person acting on behalf of an affiliate of the Company or the Promoter Selling Shareholders;

7. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) pursuant to an exemption from or in a transaction not subject to, the registration requirements of the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the States of the United States. The purchaser understands that the transfer restrictions will remain in effect until our Company determines, in its sole discretion, to remove them;

8. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any "directed selling efforts" as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;

9. the purchaser is not acquiring the Equity Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) under the U.S. Securities Act);

10. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

    "THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVETSMENT COMPANY ACT OF 1940, AS AMENDED ("THE U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (3) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT CMPANY ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES.

    THE EQUITY SHARES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THE EQUITY

SHARES AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK."

11. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

12. the purchaser understands and acknowledges that the Company may be considered a "covered fund" for purposes of the Volcker Rule. The definition of "covered fund" in the Volcker Rule includes, in part, any entity that would be an investment company under the U.S. Investment Company Act but for the exclusions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because the Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered a "covered fund". Accordingly, "banking entities" that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption under the Volcker Rule. Each purchaser must make its own determination as to whether it is a "banking entity" subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and

13. the purchaser acknowledges that our Company, the Promoter Selling Shareholders, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Our Company, the Promoter Selling Shareholders, the BRLMs and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

Bidders have been advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

ERISA considerations

The following is a summary of certain considerations associated with the purchase and holding of Equity Shares by Benefit Plan Investors. A "Benefit Plan Investor" is (1) an "employee benefit plan" (as defined in Section 3(3) of the United States Employee Retirement Income Security Act, as amended ("**ERISA**")) that is subject to Title I of ERISA, (2) a plan, individual retirement account, "Keogh" plan or other arrangement subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), or provisions under any United States federal, state or local laws, or non-U.S. or other laws or regulations that are similar to such provisions of the Code or ERISA, (3) an entity whose underlying assets are considered to include "plan assets" by reason of a plan's investment in such entity (including but not limited to an insurance company general account) (each of (1),(2) and (3), a "**Plan**"), and (4) any entity that otherwise constitutes a "benefit plan investor" within the meaning of the regulations promulgated under ERISA by the U.S. Department of Labor (the "**DOL**"), as modified by

Section 3(42) of ERISA (the "**DOL Plan Asset Regulations**").

The following is merely a summary, however, and should not be construed as legal advice or as complete in all relevant respects. All investors are urged to consult their own legal advisors before investing assets of a Plan in Equity Shares and to make their own independent decision.

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code and prohibit certain transactions involving the assets of a Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Plan or the management or disposition of the assets of such a Plan, or who renders investment advice for a fee or other compensation to such a Plan, is generally considered to be a fiduciary of the Plan.

In considering an investment in Equity Shares with a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any similar law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable United States federal, state or local laws, or non-U.S. or other laws or regulations that are similar to the Code or ERISA (collectively, "**Similar Laws**").

Prohibited Transaction Considerations

Section 406 of ERISA and Section 4975 of the Code prohibit Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of Section 406 of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and may result in the disqualification of an individual retirement account. In addition, the fiduciary of the Plan that engages in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and/or the Code. Regardless of whether or not the underlying assets of the Company (if any) are deemed to include "plan assets," as described below, the acquisition and/or holding of Equity Shares by a Plan with respect to which the Company or an BRLM is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the DOL has issued prohibited transaction class exemptions, or PTCEs, that may apply to the acquisition and holding of Equity Shares. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide an exemption from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code for certain transactions, provided that neither the issuer of the securities nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction and provided further that the Plan receives no less, and pays no more, than adequate consideration in connection with the transaction. There can be no assurance that all of the conditions of any such exemptions will be satisfied or that any such exemptions will be available with respect to investments in interests in any Equity Shares.

Plan Asset Considerations

The DOL Plan Asset Regulations generally provide that when a Plan acquires an equity interest in an entity that is not (1) a "publicly-offered security," (2) a security issued by an investment company registered under the Investment Company Act, or (3) an "operating company," the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established that the equity participation in the entity by Benefit Plan Investors is not "significant" (the "**Insignificant Participation Test**").

For purposes of the DOL Plan Asset Regulations, an "operating company" is an entity that is primarily engaged, directly or through a majority-owned subsidiary or subsidiaries, in the production or sale of a product or service, other than the investment of capital. It is anticipated that the Company will qualify as an operating company within the meaning of the DOL Plan Asset Regulations, although no assurance can be given in this regard.

For purposes of the Insignificant Participation Test, the DOL Plan Asset Regulations provide that equity participation in an entity by Benefit Plan Investors is not significant if, immediately after the most recent acquisition of an equity interest in the entity, the Benefit Plan Investors' aggregate interest is less than 25% of the value of each class of equity interests in the entity, disregarding, for purposes of such determination, any interests held by any person that has discretionary authority or control with respect to the assets of the Company or who provides investment advice for a fee with respect to the assets of the Company or an affiliate of the Company (each, a "**Controlling Person**") other than Benefit Plan Investors. Following this offering, it is possible that Benefit Plan Investors will hold and will continue to hold, less than 25% of the value of each class of equity interests of the Company, disregarding, for purposes of such determination, any interests held by any Controlling Person other than Benefit Plan Investors and, as such, that the Company may rely on the Insignificant Participation Test; however, we cannot be certain or make any assurance that this will be the case.

Plan Asset Consequences

If assets of the Company were deemed to constitute "plan assets" pursuant to the DOL Plan Asset Regulations, the operation and administration of the Company would become subject to the requirements of ERISA, including the fiduciary duty rules and the "prohibited transaction" prohibitions of ERISA, as well as the "prohibited transaction" prohibitions contained in the Code. If the Company becomes subject to these regulations, unless appropriate administrative exemptions are available (and there can be no assurance that they would be), the Company could, among other things, be restricted from entering into otherwise favorable transactions, and certain transactions entered into by the Company in the ordinary course of business could constitute non-exempt prohibited transactions and/or breaches of applicable fiduciary duties under ERISA and/or the Code, which could, in turn, result in potentially substantial excise taxes and other penalties and liabilities under ERISA and the Code.

Representation

Because of the foregoing, Equity Shares should not be acquired or held by any Benefit Plan Investor or any other person investing "plan assets" of any Plan, unless such acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA and the Code and will not constitute a similar violation of any applicable Similar Law.

Any purchaser or subsequent transferee, including, without limitation, any fiduciary purchasing on behalf of a Plan, a Benefit Plan Investor, or a governmental, church or non-U.S. plan which is subject to Similar Laws will be deemed to have represented and warranted, in its corporate and fiduciary capacity, that if the purchaser or subsequent transferee is a Benefit Plan Investor, none of the Company or the BRLMs or any of their respective affiliates, has acted as the Plan's fiduciary (within the meaning of ERISA or the Code), or has been relied upon for any advice, with respect to the purchaser or transferee's decision to acquire and hold Equity Shares, and shall not at any time be relied upon as the ERISA Plan's fiduciary with respect to any decision to acquire, continue to hold or transfer Equity Shares.

The foregoing discussion is general in nature, is not intended to be all-inclusive. Such discussion should not be construed as legal advice. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering investing in Equity Shares on behalf of, or with the assets of, any Plan consult with counsel regarding the potential applicability of ERISA, Section 4975 of the Code and Similar Laws to such investment and whether an exemption would be applicable to the acquisition and/or holding of Equity Shares.

Certain U.S. Federal Income Tax Considerations

The following is a discussion of certain U.S. federal income tax consequences to U.S. Holders (defined below) of acquiring, owning and disposing of Equity Shares, but it does not purport to be a comprehensive discussion of all tax considerations that may be relevant to a particular person's decision to acquire Equity Shares. This discussion applies only to a U.S. Holder that acquires Equity Shares in the Offer and that owns Equity Shares as capital assets for U.S. federal income tax purposes. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), U.S. Treasury regulations promulgated thereunder, and administrative rulings and judicial interpretations thereof, in each case as in effect of the date of this Prospectus. Except as expressly described herein, this discussion does not address the U.S. federal income tax consequences that may apply to U.S. Holders under the Convention Between the government of the United States of America and the government of the Republic of

India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "**Treaty**"). All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below. No ruling will be sought from the U.S. Internal Revenue Service (the "**IRS**") with respect to any statement or conclusion in this discussion, and there can be no assurance that the IRS will not challenge such statement or conclusion in the following discussion or, if challenged, that a court will uphold such statement or conclusion.

In addition, this discussion does not describe all of the tax consequences that may be relevant in light of a U.S. Holder's particular circumstances, including any U.S. state, local or non-U.S. tax law, the Medicare tax on net investment income, and any estate or gift tax laws, and it does not describe differing tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain banks, financial institutions or financial services entities;
- regulated investment companies and real estate investment trusts;
- dealers or traders in securities that use a mark-to-market method of tax accounting;
- insurance companies;
- persons holding Equity Shares as part of a hedge, straddle, conversion, constructive sale, integrated transaction or similar transaction;
- governments or agencies or instrumentalities thereof;
- persons liable for the alternative minimum tax;
- persons required for U.S. federal income tax purposes to accelerate the recognition of any item of gross income with respect to our Equity Shares as a result of such income being recognized on an applicable financial statement;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities or arrangements classified as partnerships or pass-through entities for U.S. federal income tax purposes or holders of equity interests therein;
- tax-exempt entities, "individual retirement accounts" or "Roth IRAs";
- certain U.S. expatriates or former long-term residents of the United States;
- persons that acquired Equity Shares pursuant to an exercise of employee share options, in connection with employee share incentive plans or otherwise as compensation;
- persons that own, directly, indirectly or constructively, ten percent (10%) or more of the total voting power or value of all of our outstanding stock; or
- persons owning Equity Shares in connection with a trade or business conducted outside the United States.

U.S. Holders should consult their tax advisors concerning the U.S. federal, state, local and non-U.S. tax consequences of acquiring, owning and disposing of Equity Shares in their particular circumstances.

For purposes of this discussion, a "U.S. Holder" is a person that, for U.S. federal income tax purposes, is a beneficial owner of Equity Shares and is:

- an individual citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

- a trust if a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all substantial decisions of the trust or otherwise if the trust has a valid election in effect under current Treasury regulations to be treated as a United States person.

If a partnership (or other entity or arrangement that is classified as a partnership or other pass-through entity for U.S. federal income tax purposes) is the beneficial owner of Equity Shares, the U.S. federal income tax treatment of a partner, member or other beneficial owner in such partnership or other pass-through entity generally will depend on the status of the partner, member or other beneficial owner and the status and activities of the partnership or other pass-through entity holding Equity Shares. Partnerships or other pass-through entities owning Equity Shares and partners, members or other beneficial owners in such partnerships or other pass-through entities should consult their tax advisors as to the particular U.S. federal income tax consequences of acquiring, owning and disposing of the Equity Shares.

THE DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP, OR DISPOSITION OF EQUITY SHARES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES, INCLUDING THE APPLICABILITY AND EFFECT OF OTHER FEDERAL, STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS, INCLUDING THE TREATY, AND POSSIBLE CHANGES IN TAX LAW.

Taxation of Distributions

Subject to the discussion below under *"—Passive Foreign Investment Company Rules*," the gross amount of any distribution of cash or property paid with respect to our Equity Shares (including any amounts withheld in respect of Indian taxes), will generally be included in a U.S. Holder's gross income as dividend income on the date actually or constructively received to the extent such distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Distributions in excess of our current and accumulated earnings and profits will be treated first as a non -taxable return of capital, thereby reducing the U.S. Holder's adjusted tax basis in our Equity Shares (but not below zero), and thereafter as either long-term or short-term capital gain depending upon whether the U.S. Holder held our Equity Shares for more than one year as of the time such distribution is actually or constructively received. Because we do not prepare calculations of our earnings and profits using U.S. federal income tax principles, it is expected that distributions generally will be taxable to U.S. Holders as dividends, and taxable at ordinary income tax rates.

Dividends on our Equity Shares generally will not be eligible for the dividends-received deduction generally available to U.S. corporations with respect to dividends received from other U.S. corporations. The amount of any dividend paid in Rupees will be the U.S. dollar value of the Rupees calculated by reference to the spot rate of exchange in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars on such date. U.S. Holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss.

A U.S. Holder generally will be entitled, subject to certain limitations, to a credit against its U.S. federal income tax liability, or to a deduction, if elected, in computing its U.S. federal taxable income, for non -refundable Indian income taxes withheld from dividends at a rate not exceeding the rate provided in the Treaty (if applicable). For purposes of the foreign tax credit limitation, dividends paid by the Company generally will constitute foreign source income in the "passive category income" basket. The rules relating to the foreign tax credit or deduction, if elected, are complex and U.S. Holders should consult their tax advisors concerning their availability in their particular circumstances.

Sale or Other Taxable Disposition of Equity Shares

Subject to the discussion below under "*—Passive Foreign Investment Company Rules*," a U.S. Holder generally will recognize gain or loss for U.S. federal income tax purpose on the sale, exchange or other taxable disposition of our Equity Shares in an amount equal to the difference between the amount realized on the disposition and the U.S. Holder's adjusted tax basis in the Equity Shares disposed of, in each case as determined in U.S. dollars. Such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period for the Equity Shares exceeds one year. Long-term capital gains of certain non-corporate U.S. Holders (including individuals) are generally eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

A U.S. Holder's initial tax basis in our Equity Shares will be the U.S. dollar value of the Rupee denominated purchase price determined on the date of purchase, and the amount realized on a sale, exchange or other taxable disposition of our Equity Shares will be the U.S. dollar value of the payment received determined on the date of disposition. If our Equity Shares are treated as traded on an "established securities market," a cash method U.S. Holder or, if it elects, an accrual method U.S. Holder, will determine the U.S. dollar value of (i) the cost of such Equity Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase, and (ii) the amount realized by translating the amount received at the spot rate of exchange on the settlement date of the sale, exchange or other taxable disposition. Such an election by an accrual method U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS. Accrual method U.S. Holders that do not elect to be treated as cash-method taxpayers for this purpose may have a foreign currency gain or loss for U.S. federal income tax purposes, which in general will be treated as U.S.-source ordinary income or loss. U.S. Holders should consult their advisors as to the U.S. federal income tax consequences of the receipt of Rupees.

If any Indian tax is imposed on the sale or other disposition of our Equity Shares, a U.S. Holder's amount realized will include the gross amount of the proceeds of the sale or other disposition before deduction of the Indian tax. Because capital gain or loss, if any, will generally be U.S. source gain or loss for foreign tax credit purposes and a U.S. Holder may use foreign tax credits to offset only the portion of U.S. federal income tax liability that is attributable to foreign -source income, a U.S. Holder may not be able to claim a foreign tax credit for any Indian income tax imposed on such gains unless the U.S. Holder has other taxable income from foreign sources in the appropriate foreign tax credit basket. U.S. Holders should consult their own tax advisors concerning the creditability or deductibility of any Indian income tax imposed on the disposition of Equity Shares in their particular circumstances.

Passive Foreign Investment Company Rules

In general, a corporation organized outside the United States will be treated as a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes in any taxable year in which (a) 75% or more of its gross income is passive income (the "**income test**") or (b) 50% or more of its assets either produce passive income or are held for the production of passive income in a taxable year (ordinarily determined based on fair market value and averaged quarterly over the year) (the "**asset test**"). For this purpose, "gross income" generally includes all sales revenues less the cost of goods sold, plus income from investments and from incidental or outside operations or sources, and "passive income" generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transact ions. For purposes of the PFIC income test and asset test described above, if the Company owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, the Company will be treated as if it (a) held a proportionate share of the assets of such other corporation and (b) received directly a proportionate share of the income of such other corporation.

Based on the nature of our business, the composition of our income and assets and the value of our assets, we expect that we were a PFIC for the taxable year ending March 31, 2021, and taking into account certain estimates of the aforementioned items we expect to be classified as a PFIC for the taxable year ending March 31, 2022 and expect to be so classified in future taxable years. We will not provide an annual determination of our PFIC status for any taxable year. However, we expect that we will continue to be a PFIC for each subsequent taxable year, and this summary is based on that expectation. If the Company is or becomes a PFIC, a U.S. Holder who owns our Equity Shares will generally be subject to adverse tax treatment, as discussed in more detail below. Accordingly, you are urged to consult your tax advisors regarding the risks associated with investing in a company that may be a PFIC.

Under attribution rules, if we were a PFIC for any taxable year and any subsidiary or other entity in which we held a direct or indirect equity interest is also a PFIC (a "**Lower-tier PFIC**"), U.S. Holders would be deemed to own their proportionate share of any such Lower-tier PFIC and would be subject to U.S. federal income tax according to the rules described in the following paragraph on (i) certain distributions by the Lower-tier PFIC and (ii) a disposition of equity interests of the Lower-tier PFIC, in each case as if the U.S. Holders held such interests directly, even though the U.S. Holders have not received the proceeds of those distributions or dispositions directly. Generally, a mark-to-market election (as described below) cannot be made for equity interests in a Lower-tier PFIC. Therefore, if we are a PFIC for any taxable year during which you hold our Equity Shares, you generally will continue to be subject to the rules described in the following paragraph with respect to your indirect interest in any Lower-tier PFIC, even if you were to make a valid mark-to-market election with respect to our Equity Shares. You are urged to consult your tax advisors about the application of the PFIC rules to our subsidiaries. Generally, if the Company is a PFIC for any taxable year during which a U.S. Holder holds Equity Shares, the

U.S. Holder may be subject to adverse tax consequences.

Generally, gain recognized by a U.S. Holder upon a disposition (including, under certain circumstances, a pledge) of Equity Shares by the U.S. Holder would be allocated ratably over the U.S. Holder's holding period for such Equity Shares. The amounts allocated to the taxable year of disposition and to years before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the tax attributable to the allocated amount. Further, to the extent that any distribution received by a U.S. Holder on the Equity Shares exceeds 125% of the average of the annual distributions on such Equity Shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain, described immediately above. Certain elections may be available that would result in alternative treatments of the Equity Shares if the Company was a PFIC.

If the Company was a PFIC for any year during which a U.S. Holder owned Equity Shares, the Company would generally continue to be treated as a PFIC with respect to such U.S. Holder for all succeeding years during which such U.S. Holder held the Equity Shares, even if the Company ceased to meet the threshold requirements for PFIC status.

If we are or become a PFIC, certain elections would result in alternative treatments, such as a mark -to-market election (discussed below) of the Equity Shares, or such as a "qualified electing fund" ("**QEF**") election to include in income the U.S. Holder's share of the corporation's income on a current basis. A U.S. taxpayer may generally make a QEF election with respect to shares of a foreign corporation only if such taxpayer is furnished annually with a PFIC annual information statement as specified in the applicable Treasury regulations. For a U.S. Holder to make a QEF election, we must agree to supply annually to the U.S. Holder the "PFIC Annual Information Statement" described in Treasury Regulations and permit the U.S. Holder access to certain information in the event of an audit by the U.S. tax authorities. We do not intend to provide information necessary f or U.S. Holders to make QEF elections. Therefore, U.S. Holders should assume that they will not receive such information from us and would therefore be unable to make a QEF election with respect to our Equity Shares.

Alternatively, if we are a PFIC for any taxable year and if the Equity Shares are "regularly traded" on a "qualified exchange," a U.S. Holder could make a mark-to-market election with respect to the Equity Shares (but not with respect to any Lower-tier PFICs, if any) that would result in tax treatment different from the general tax treatment for PFICs described above. The Equity Shares will be treated as "regularly traded" in any calendar year in which more than a de minimis quantity of the Equity Shares is traded on a qualified exchange on at least 15 days during each calendar quarter. A non-U.S. securities exchange constitutes a qualified exchange if it is regulated or supervised by a governmental authority of the country in which the securities exchange is located and meets certain trading listing, financial disclosure and other requirements set forth in the U.S. Treasury regulations. Our Equity Shares are listed on the Stock Exchanges. It is unclear, however, whether the Stock Exchanges would meet the requirements for a "qualified exchange." There can be no assurance, therefore, that the mark-to-market election would be available to a U.S. Holder of Equity Shares if we were treated as a PFIC.

Generally, under the mark-to-market election the U.S. Holder will recognize at the end of each taxable year (i) ordinary income in respect of any excess of the fair market value of the Equity Shares over their adjusted tax basis or (ii) ordinary loss in respect of any excess of the adjusted tax basis of the Equity Shares over their fair market value (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If a U.S. Holder makes the election, the U.S. Holder's tax basis in the Equity Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of Equity Shares in a year when we were a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). U.S. Holders should consult their tax advisors regarding the availability and advisability of making a mark-to-market election in their particular circumstances. As to any elections with respect to our Equity Shares, including mark-to-market elections or QEF elections, U.S. Holders should consult their own tax advisors to determine whether any of these elections would be available or advisable if we are or become a PFIC and, if so, what the consequences of the alternative treatments would be in their particular circumstances.

If a U.S. Holder owns our Equity Shares during any year in which we are a PFIC, the U.S. Holder generally will be required to file an IRS Form 8621 annually with respect to the Company, generally with the U.S. Holder's U.S. federal income tax return for that year unless specified exceptions apply.

U.S. Holders should consult their tax advisors regarding our PFIC status for any taxable year and the potential application of the PFIC rules.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds from a sale, exchange or other taxable disposition (including redemption) of our Equity Shares that are made within the United States, by a U.S. payor or through certain U.S.-related financial intermediaries to a U.S. Holder generally are subject to information reporting, unless the U.S. Holder is a corporation or other exempt recipient. In addition, such payments may be subject to backup withholding, unless (1) the U.S. Holder is a corporation or other exempt recipient or (2) the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding in the manner required.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will generally be allowed as a credit against the U.S. Holder's U.S. federal income tax liability or may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Foreign Financial Asset Reporting

Certain U.S. Holders who are individuals or certain specified entities that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 (and in some circumstances, a higher threshold) may be required to report information relating to the Equity Shares by attaching a complete IRS Form 8938, Statement of Specified Foreign Financial Assets (which requires U.S. Holders to report "foreign financial assets," which generally include financial accounts held at a non -U.S. financial institution, interests in non-U.S. entities, as well as stock and other securities issued by a non-U.S. person), to their tax return for each year in which they hold our Equity Shares, subject to certain exceptions (including an exception for our Equity Shares held in accounts maintained by U.S. financial institutions). U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to their acquisition, ownership, and disposition of the Equity Shares.

Disclaimer Clause of RBI

The Company has a valid certificate of registration issued by the Reserve Bank of India dated March 13, 2023. However, the RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinion expressed by the Company and for the repayment of deposits/discharge of liabilities by the Company.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, *vide* its in-principle approval dated October 3, 2023, is as follows:

"BSE Limited ("the Exchange") has given vide its letter dated October 3, 2023, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner: -

a) ***warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or***
b) ***warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or***
c) ***take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;***

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, *vide* its in-principle approval dated October 3, 2023, is as follows:

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/2730 dated October 03, 2023, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares issued through the Red Herring Prospectus and this Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. NSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Our Company received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to their letters dated October 3, 2023.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of this Prospectus in accordance with applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date or such other time as may be prescribed under applicable law. Further, the Promoter Selling Shareholder specifically confirms that it shall provide reasonable assistance to our Company, and the Book Running Lead Managers, with respect to the Offered Shares, for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges.

If our Company does not Allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Consents

Consents in writing from (a) the Promoter Selling Shareholder, our Directors, Statutory Auditors, Company Secretary and Compliance Officer, Legal Counsel to our Company as to Indian law, the Book Running Lead Managers, the Bankers to our Company, and the Registrar to the Offer to act in their respective capacities, have been obtained; and (b) the Syndicate Members, Bankers to the Offer, Escrow Collection Bank, Public Offer Bank, Refund Bank, and Sponsor Banks to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents have not been withdrawn as on the date of this Prospectus.

Experts to the Offer

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated November 6, 2023 from our Statutory Auditors to include their name in this Prospectus as required under Section 26 of the Companies Act read with SEBI ICDR Regulations and as "expert" as defined under Sections 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditor and in respect of their (i) examination report dated October 25, 2023 on the Restated Financial Information; and (ii) report dated November 6, 2023 on the statement of possible special tax benefits, and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Capital issue (public/ rights/ composite issues) during the preceding five years by our Company

Other than as disclosed in "*Capital Structure – Equity Share Capital History of our Company*" on page 98, our Company has not made any capital issues during the five years preceding the date of this Prospectus.

Capital issue (public/ rights/ composite issues) during the previous three years by our listed Group Companies/ Subsidiaries/ associates

As on date of this Prospectus, our Company does not have any group companies/ subsidiaries/ associates.

Performance vis-à-vis objects – –public/ rights issue of our Company

Except as disclosed in "*Capital Structure – Equity Share Capital History of our Company*" on page 98, our Company has not made any public or rights issues during the last five years preceding the date of this Prospectus.

Performance *vis-à-vis* objects – public/rights issue of listed subsidiaries and promoter

As on date of this Prospectus, our Company does not have subsidiaries or corporate promoter.

Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Commission or brokerage on previous issues in the last five years

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Company's inception.

Price Information of past issues handled by the Book Running Lead Managers (during current Financial Year and two Financial Years preceding the current Financial Year)

1. IDBI Capital Markets & Securities Limited

- **Price information of past issues handled by IDBI Capital Markets & Securities Limited:**

Sr. No.	Issue name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change–in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change–in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change–in closing benchmark] - 180th calendar days from listing
1.	Inox Green Energy Services Limited^^	7,400.00	65.00	November 23, 2022	60.50	-30.77% [-1.11%]	-32.77% [-1.33%]	-26.85% [0.36%]
2.	Rolex Rings Limited^	7,310.00	900.00	August 9, 2021	1,250.00	+22.28% [+6.79%]	+31.50% [+10.20%]	+45.24% [+7.74%]

Source: www.nseindia.com and www.bseindia.com
^NSE as designated stock exchange
^^BSE as designated stock exchange

Notes:
a. Data is sourced either from www.nseindia.com or www.bseindia.com, as per the designated stock exchange disclosed by the respective issuer company
b. Wherever 30th/ 90th/ 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
c. Similarly, benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective issuer company.

- **Summary statement of price information of past issues handled by IDBI Capital Markets & Securities Limited:**

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	1	7,400.00	-	1	-	-	-	-	-	1	-	-	-	-
2021-22	1	7,310.00	-	-	-	-	-	1	-	-	-	-	1	-

* *The information is as on the date of this Prospectus.*
The information for each of the financial years is based on issues listed during such financial year.

2. *BOB Capital Markets Limited*

- ***Price information of past issues handled by BOB Capital Markets Limited:***

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing (1)(2)	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing (1)(2)	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing (1)(2)
1	IRM Energy Limited^	5,443.63	505.00	October 26, 2023	477.25	-	-	-
2	Chemplast Sanmar Limited^	38,500.00	541.00	August 24, 2021	550.00	+2.06% [+5.55%]	+12.68 [+6.86%]	-3.30% [+3.92%]
3	Glenmark Life Sciences Limited^^	15,136.00	720.00	August 06, 2021	751.10	-6.38% [+7.10%]	-12.94%, [+10.12%]	-20.67% [+8.45%]
4	Macrotech Developers India Limited^^	25,000.00	486.00	April 19,2021	439.00	+30.19% [+4.68%]	+75.62% [+10.83%]	+146.92 [27.86%]

Source: www.nseindia.com and www.bseindia.com
^NSE as designated Stock Exchange
^^BSE as designated Stock Exchange

(1) *The 30th, 90th and 180th calendar day from listing day have been taken as listing day plus 29, 89 and 179 calendar days respectively. In the event any day falls on a holiday, the price/index of the previous trading day has been considered.*
(2) *Benchmark index considered is "NIFTY 50" where NSE is the designated stock exchange and "S&P BSE SENSEX" where BSE is the designated stock exchange, as disclosed by the respective Issuer Company at the time of the Issue, as applicable.*

- ***Summary statement of price information of past issues handled by BOB Capital Markets Limited:***

Financial Year	Total no. of IPOs	Total funds raised (₹ million)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			os. of IPOs trading at premium as on 180th calendar days from listing date		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	1	5,443.63	-	-	-	-	-	-	-	-	-	-	-	-
2022-23	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2021-22	3	78,636.00	-	-	1	-	1	1	-	-	2	1	-	-

** The information is as on the date of this Prospectus.*
Source: Prospectus for issue details

Note:
(1) *The above information is as on the date of this Offer Document.*
(2) *The information for the financial years is based on issues listed during such financial year.*

3. *SBI Capital Markets Limited*

- ***Price information of past issues handled by SBI Capital Markets Limited:***

Sr. No.	Issue Name**	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Updater Services Ltd@	6,400.00	300.00	October 4, 2023	299.90	-13.73% [-1.56%]	-	-
2	JSW Infrastructure Limited@	28,000.00	119.00	October 3, 2023	143.00	41.34% [-2.93%]	-	-
3	Yatra Online Limited@	7,750.00	142.00	September 28, 2023	130.00	-11.06% [-2.63%]	-	-
4	Senco Gold Limited#	4,050.00	317.00	July 14, 2023	430.00	25.28% [-0.70%]	105.32% [1.26%]	-
5	Tamilnad Mercantile Bank Limited @	8,078.40	510.00	September 15, 2022	510.00	-8.43% [-3.36%]	2.14% [4.34%]	-15.82% [-2.83%]
6	Paradeep Phosphates Limited @	15,017.31	42.00	May 27, 2022	43.55	-10.24% [-3.93%]	27.50% [7.65%]	31.19% [11.91%]
7	Life Insurance Corporation of India (1)@	205,572.31	949.00	May 17, 2022	867.20	-27.24% [-3.27%]	-28.12% [9.47%]	-33.82% [13.76%]
8	Star Health and Allied Insurance Company Ltd (2)#	64,004.39	900.00	December 10,2021	845.00	-14.78% [+1.72%]	-29.79% [-6.66%]	-22.21% [-6.25%]
9	Tarsons Products Limited (3)@	8,738.40	662.00	November 26, 2021	700.00	-4.16% [+0.03%]	-4.46% [+0.22%]	0.20% [-5.35%]
10	Aditya Birla Sun Life AMC Limited#	27,682.56	712.00	October 11, 2021	715.00	-11.36% [+0.55%]	-23.85% [-0.74%]	-25.65% [-0.90%]

Source: www.nseindia.com and www.bseindia.com

Notes:

* *The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days is a trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

** *The information is as on the date of this Prospectus.*

* *The information for each of the financial years is based on issues listed during such financial year.*

@ *The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange.*

\# *The Nifty 50 index is considered as the Benchmark Index, NSE being the designated stock exchange.*

1 *Price for retail individual bidders and eligible employees was ₹904.00 per equity share and for eligible policy holders and was ₹889.00 per equity share.*

2 *Price for eligible employees was ₹820.00 per equity share.*

3 *Price for eligible employees was ₹639.00 per equity share.*

- ***Summary statement of price information of past issues handled by SBI Capital Markets Limited:***

Financial Year	Total no. of IPOs#	Total funds raised (₹ million)	Nos. of IPOs trading at discount – 30th calendar days from listing			Nos. of IPOs trading at premium – 30th calendar days from listing			Nos. of IPOs trading at discount – 180th calendar days from listing			os. of IPOs trading at premium – 180th calendar days from listing		
			Over 50%	Between 25% - 50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2023-24*	4	46,199.99	-	-	2	-	2	-	-	-	-	-	-	-
2022-23	3	2,28,668.02	-	1	2	-	-	-	-	1	1	-	1	-
2021-22	10	2,17,814.28	-	-	6	1	2	1	-	3	1	3	-	3

** The information is as on the date of this Prospectus.*

** Date of listing for the issue is used to determine which financial year that particular issue falls into.*

Track record of past issues handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers, as specified in circular number CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the Book Running Lead Managers, as provided in the table below:

S. No.	Name of the Lead Manager	Website
1.	IDBI Capital Market & Securities Limited	www.idbicapital.com
2.	BOB Capital Markets Limited	www.bobcaps.in
3.	SBI Capital Markets Limited	www.sbicaps.com

For further details in relation to helpline details of the Book Running Lead Managers, see "*General Information*" on page 88.

Stock market data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Prospectus and accordingly, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances

SEBI by way of its circular number SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("**March 2021 Circular**") read with the SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has identified the need to put in place measures, in order to manage and handle investor issues arising out of the UPI Mechanism, *inter alia*, in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries/ SCSBs and failure to unblock funds in cases of partial allotment/ no allotment within prescribed timelines and procedures. Subsequently, by way of its circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI modified the process timelines and extended the implementation timelines for certain measures introduced by the March 2021 Circular, where SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) hosting of a web portal by the Sponsor Banks containing statistical details of mandate blocks/ unblocks; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/ partially allotted applications is completed by the closing hours of 1 Working Day subsequent to the finalisation of the Basis of Allotment.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and subject to applicable laws, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within 3 months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay ₹100 per day or interest at the rate of 15% p.a. of the cumulative blocked amount except the original Bid Amount, whichever is higher, for any delay beyond this period of 15 days. Further, in accordance with the provisions of the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the investors shall be compensated by the SCSBs at the rate higher of ₹100 or 15% per annum of the application amount, whichever is higher, in the events of delayed unblock for cancelled/ withdrawn/ deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/ partially-allotted applications, for the stipulated period. Further, in terms of SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB. The Registrar Agreement provides for the retention of records with the Registrar to the Offer for a minimum period of 8 years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, subject to agreement with our Company for storage of such records for longer period, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs, in the manner provided below.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Anchor Investors are required to address all grievances in relation to the Offer to the BRLMs.

Disposal of Investor Grievances by our Company

Our Company has obtained authentication on the SCORES and is in compliance with the SEBI circular number CIR/OIAE/1/2014 dated December 18, 2014, the SEBI circular number. SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, the SEBI circular number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and the SEBI circular number SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 and any amendment thereto, in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders' Relationship Committee comprising Dr. Jaganath Chennakeshava Murthy Jodidhar, Rohini Rawat, Ram Nihal Nishad and Dr. Bijay Kumar Mohanty as its members to review and redress the shareholders' and investors' grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For further details about the Stakeholders' Relationship Committee, see "*Our Management – Committees of our Board – Stakeholders' Relationship Committee*" on page 296.

Our Company has also appointed Ekta Madan as the Company Secretary and Compliance Officer of our Company. For details, see "*General Information – Company Secretary and Compliance Officer*" on page 89.

Our Company has been in receipt of certain investor complaints during the three years preceding the date of the Red Herring Prospectus and this Prospectus. The process undertaken by the Company to deal with such complaints normally takes up to 2 working days from the date of receipt of the complaint. As on the date of this Prospectus, there are no investor complaints pending in relation to our Company. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Other confirmations

No person connected with the Offer, including, but not limited to, the Book Running Lead Managers, the Syndicate Members, our Company, Directors, Promoter Selling Shareholder, shall offer any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

Exemption from complying with any provisions of securities laws granted by the SEBI

Our Company through its letter dated September 7, 2023 had sought an exemption from SEBI under Regulation 300(1) of the SEBI ICDR Regulations and Regulation 102 of the SEBI Listing Regulations from: (i) compliance with certain corporate governance requirements in relation to the terms of reference of the Nomination and Remuneration Committee as specified under Regulation 19(4) read with Schedule II – Part D and Regulation 17(6)(a) of the SEBI Listing Regulations and the Audit Committee as specified under Regulation 18(3) read with point (2) of para (A) under Schedule II - Part C of the SEBI Listing Regulations; and (ii) requirement of making a security deposit of 1% required under Regulation 38 of the SEBI ICDR Regulations in relation to the Offer for Sale by the Government of India. SEBI, *vide* its letter bearing number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/40948/1 dated October 4, 2023, has granted our Company an exemption from compliances of the aforementioned corporate governance requirements as prescribed under the SEBI Listing Regulations, until listing of the Equity Shares of our Company, and from the requirement of making a security deposit in relation to the Offer for Sale, as prescribed under the SEBI ICDR Regulations. The exemptions sought by our Company under the SEBI Listing Regulations are granted only till the listing of our Equity Shares, and subsequent to listing, our Company is required to comply with the applicable provisions of the SEBI Listing Regulations. For further details, see "*Risk Factors – Our Company may not be in compliance with certain provisions of the SEBI Listing Regulations*", and "*Our Management – Corporate Governance*" on pages 48 and 291, respectively.

SECTION VIII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered and Allotted and transferred pursuant to this Offer are subject to the provisions of the Companies Act, SEBI ICDR Regulations, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, this Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN or Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer.

The Offer

The Offer comprises a Fresh Issue by the Company and an Offer for Sale by the Promoter Selling Shareholder.

Ranking of the Equity Shares

The Equity Shares being offered, transferred and Allotted pursuant to the Offer are subject to the provisions of the Companies Act, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend, voting and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 647.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, our Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations and any other applicable laws including guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable laws. For further details in relation to dividends, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of the Articles of Association*" on pages 307 and 647, respectively.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹10, and the Offer Price is ₹32 per Equity Share. The Floor Price was ₹30 per Equity Share and at the Cap Price was ₹32 per Equity Share, being the Price Band. The Anchor Investor Offer Price is ₹32 per Equity Share.

The Price Band and the minimum Bid Lot for the Offer were decided by our Company and the Promoter Selling Shareholder in consultation with the Book Running Lead Managers and advertised in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi also being the regional language of New Delhi, where our Registered Office is located), each with wide circulation, at least two Working Days prior to the Bid/Offer Opening Date and was available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, were pre-filled in the Bid cum Application Forms available on the websites of the Stock Exchanges. The Offer Price was determined by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, after the Bid/Offer Closing Date on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination of Equity Shares.

Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or "e-voting", in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations, our Memorandum of Association, Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission, consolidation or sub-division, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 647.

Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated February 8, 2018 among our Company, CDSL and the Registrar to the Offer; and
- Tripartite agreement dated February 21, 2018 among our Company, NSDL and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is 1 (one) Equity Share. Allotment in the Offer will be only in electronic form in multiples of 1 (one) Equity Share, subject to a minimum Allotment of 1 (one) Equity Share. For further details, see "*Offer Procedure*" on page 624.

Joint Holders

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/ authorities in Delhi.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or
b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change their nomination, they are requested to inform their respective Depository Participant. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENED ON	Tuesday, November 21, 2023
BID/OFFER CLOSED ON	Thursday, November 23, 2023

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
BID/OFFER CLOSED ON	Thursday, November 23, 2023
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, November 28, 2023
Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account*	On or about Tuesday, November 28, 2023
Credit of Equity Shares to demat accounts of Allottees	On or about Wednesday, November 29, 2023
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, December 1, 2023

* *In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism), exceeding 4 Working Days from the Bid/Offer Closing Date, for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular dated March 16, 2021, as amended pursuant to SEBI circulars dated June 2, 2021, April 20, 2022 and June 21, 2023, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company or the Promoter Selling Shareholder or the Book Running Lead Managers.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, the timetable may be subject to change due to various factors, such as any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter Selling Shareholder confirms that it shall extend reasonable co-operation to the extent of the Offered Shares as may be required by our Company and the Book Running Lead Managers to facilitate the completion of the

necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date or such other time as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date or such other time as may be prescribed under applicable law, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

On the Bid/Offer Closing Date, the Bids were uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5:00 p.m. IST, in case of Bids by RIBs, Bidding under Net Offer and Eligible Employee(s) in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time, if any, was granted by Stock Exchanges only for uploading Bids received by RIBs bidding under Net Offer, Eligible Employee(s) bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the Book Running Lead Managers to the Stock Exchanges.

The Registrar to the Offer submitted the details of cancelled/ withdrawn/ deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/Offer Opening Date until the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs unblocked such applications by the closing hours of the Working Day and submitted a confirmation in respect thereof to the BRLMs and the Registrar to the Offer on a daily basis.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount has not been blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, shall be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders were advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/Offer Closing Date. Bidders were cautioned that, in the event a large number of Bids were received on the Bid/Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that could not be uploaded on the electronic bidding system were not considered for allocation under this Offer. Bids and any revision in Bids were only accepted on Working Days. As per letter no. List/SMD/SM/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids were not accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders were uploaded by the relevant Designated Intermediary in the electronic system provided by the Stock Exchanges.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR or; the minimum subscription of 90% of the Fresh Issue on the date of closure of the Offer; or subscription level falls below aforesaid minimum subscription after the Bid/Offer Closing Date due to technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the offer document, our Company shall forthwith refund/unblock the entire subscription amount received in accordance with applicable law including the SEBI circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, including the SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond four days, our Company, to the extent applicable, shall pay interest at the rate of 15% per annum as per the SEBI circular *(mentioned above)*.

In case of undersubscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be met in the following order of priority: (i) through sale of Offered Shares being offered by Promoter Selling Shareholder; and (ii) through the issuance of balance part of the Fresh Issue.

The Promoter Selling Shareholder shall reimburse, in proportion to the portion of its Offered Shares, any expenses and interest incurred by our Company on behalf of the Promoter Selling Shareholder for any delays in making refunds as required under the Companies Act and any other applicable laws, provided that the Promoter Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Promoter Selling Shareholder.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for our Equity Shares will be one 1 (one) Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" on page 97 and except as provided under the Articles of Association, there are no restrictions on transfer or transmission of the Equity Shares and on their consolidation or splitting. For details, see "*Description of Equity Shares and Terms of the Articles of Association*" on page 647.

Withdrawal of the Offer

Our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Offer, in whole or in part thereof, to the extent of the Offered Shares after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Book Running Lead Managers through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Bidder using the UPI Mechanism, to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) shall notify the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals from the Stock Exchanges. If our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

OFFER STRUCTURE

This Offer was made through the Book Building Process. The Offer of 671,941,177* Equity Shares for cash at a price of ₹32 per Equity Share (including a premium of ₹22 per Equity Share) aggregating to ₹21,502.12 million*, comprising a Fresh Issue of 403,164,706* Equity Shares aggregating to ₹12,901.27 million* by our Company and an Offer for Sale of 268,776,471* Equity Shares aggregating to ₹8,600.85 million* by the Promoter Selling Shareholder. The Offer shall constitute 25.00% of the post-Offer paid-up equity share capital of our Company.

The Offer comprises a Net Offer of 670,065,757* Equity Shares and Employee Reservation Portion of 1,875,420* Equity Shares. The Employee Reservation Portion did not exceed 5% of our post-Offer paid-up equity share capital. The Offer and the Net Offer shall constitute 25.00% and 24.93%, respectively, of the post-Offer paid-up equity share capital of our Company. The face value of each Equity Share is ₹10 each.

** Subject to finalisation of Basis of Allotment*

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation(2)	1,875,420## Equity Shares	335,032,878## Equity Shares aggregating to ₹10,721.05 million##	100,509,864## Equity Shares	234,523,015## Equity Shares
Percentage of Offer size available for Allotment/ allocation	The Employee Reservation Portion shall constitute 0.07% of the Offer Size	Not more than 50% of the Net Offer shall be Allotted to QIB Bidders. However, up to 5% of the Net QIB Portion (excluding the Anchor Investor Portion) was available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion were also eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion, if any, was added to the Net QIB Portion	Not less than 15% of the Net Offer, out of which: (i) one-third of the portion available to Non-Institutional Investors was reserved for Bidders with application size of more than ₹200,000 rupees and up to ₹1,000,000, and (ii) two-thirds of the portion available to Non-Institutional Investors was reserved for Bidders with application size of more than ₹1,000,000. Unsubscribed portion in either of the aforementioned sub-categories, if any, was allocated to applicants in the other sub-category of Non-Institutional Investors	Not less than 35% of the Net Offer
Basis of Allotment if respective	Proportionate# unless the Employee Reservation Portion is undersubscribed, the value	Proportionate as follows (excluding the Anchor Investor Portion):	Allotment of such securities to each of the Non-Institutional Investor was not less	The allotment to each Retail Individual Bidder was not less than

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
category is oversubscribed*	of allocation to an Eligible Employee did not exceed ₹200,000. However, in the event of undersubscription in the Employee Reservation Portion, if any, the unsubscribed portion was Allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000	(a) 6,700,658## Equity Shares were available for allocation on a proportionate basis to Mutual Funds only; and (b) 127,312,494## Equity Shares were available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. (c) 60% of QIB Portion (201,019,726## Equity Shares were allocated on a discretionary basis to Anchor Investors of which one-third was available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, was shall be Allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations	the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. For further details, see "*Offer Procedure*" on page 624.
Minimum Bid	460 Equity Shares	Such number of Equity Shares in multiples of 460 Equity Shares, that the Bid Amount exceeds ₹200,000	Such number of Equity Shares in multiples of 460 Equity Shares, that the Bid Amount exceeds ₹200,000	460 Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of 460 Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹500,000	Such number of Equity Shares in multiples of 460 Equity Shares not exceeding the size of the Net Offer (excluding the Anchor portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of 460 Equity Shares not exceeding the size of the Offer (excluding the QIB Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of 460 Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	460 Equity Shares and in multiples of 460 Equity Shares thereafter			
Allotment Lot	A minimum of 460 Equity Shares and in multiples of 1 Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply(3)	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act 2013, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices including FPIs which are individuals, corporate bodies and family offices which are	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees	QIBs(1)	Non-Institutional Bidders	Retail Individual Bidders
		IRDAI, provident funds with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs	re-categorised as Category II FPIs and registered with SEBI	
Terms of Payment	**In case of Anchor Investors:** Full Bid Amount was payable by the Anchor Investors at the time of submission of their Bids(4) **In case of all other Bidders**: Full Bid Amount was blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank(s) through the UPI Mechanism, that was specified in the ASBA Form the time of submission of the ASBA Form			
Mode of Bidding	Only through the ASBA process (including the UPI Mechanism)	ASBA process only (excluding the UPI Mechanism) (except for Anchor Investors)	ASBA process only (including UPI Mechanism for Bids up to ₹500,000)	ASBA process only (including the UPI Mechanism)

 # The Employee Reservation Portion did not exceed 5% of our post-Offer paid-up equity share capital. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee did not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of an undersubscription in the Employee Reservation Portion post initial Allotment, if any, such unsubscribed portion shall be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation of up to ₹500,000, as applicable), shall be added to the Net Offer. Further, an Eligible Employee Bidding in the Employee Reservation Portion could also Bid under the Net Offer and such Bids shall not be treated as multiple Bids. However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee made an application of more than ₹2,00,000 in the Employee reservation portion.
Subject to finalisation of Basis of Allotment

(1) *Our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price. In the event of undersubscription or non-allotment in Anchor Investor Portion, the balance Equity Shares in Anchor Investor Portion shall be added to Net QIB Portion.*
(2) *Subject to valid Bids having been received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR and Regulation 6(1) of the SEBI ICDR Regulations.*
(3) *In case of joint Bids, the Bid cum Application Form only contained the name of the first Bidder whose name also appeared as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder was required in the Bid cum Application Form and such first Bidder was deemed to have signed on behalf of the joint holders.*
(4) *Full Bid Amount was payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price was payable by the Anchor Investor Pay-In Date as indicated in the CAN. For details of terms of payment applicable to Anchor Investors, see General Information Document available on the website of the Stock Exchanges and the BRLMs. Anchor Investors were not permitted to participate in the Offer through the ASBA process.*

The Bids by FPIs with certain structures as described under "*Offer Procedure – Bids by FPIs*" on page 632 to 633 and having same PAN were collated and identified as a single Bid in the Bidding process. The Equity Shares allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders were required to confirm and will be deemed to have represented to our Company, the Promoter Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Subject to valid Bids having been received at or above the Offer Price, undersubscription, if any, in any category except the QIB Portion, shall be allowed to be met with spill-over from the other categories or a combination of categories at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange, on a proportionate basis. Undersubscription, if any, in the QIB Portion shall not be allowed to be met with spill-over from other categories or a combination of categories. Undersubscription, if any, in the Employee Reservation Portion may be added to other reserved category and the unsubscribed portion, if any, after such inter-se adjustments among such reserved categories shall be added to the Net Offer. For further details, see the "*Terms of the Offer*" on page 615.

Eligible Employee(s) bidding in the Employee Reservation Portion at a price within the Price Band could make payment based on Bid Amount, at the time of making a Bid. Eligible Employee(s) bidding in the Employee Reservation Portion at the Cut-off Price had to ensure payment at the Cap Price, at the time of making a Bid.

OFFER PROCEDURE

*All Bidders should read the General Information Document for investing in Public Offers prepared and issued in accordance with the circular number SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and UPI Circulars (the "**General Information Document**"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of the Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.*

*SEBI vide its circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, read with its circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective until June 30, 2019.*

*With effect from July 1, 2019, SEBI vide its circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), discontinued the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds with only the UPI Mechanism for such Bids with the existing timeline of T+6 days continuing for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"). Subsequently however, SEBI vide its circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II until March 31, 2020. Further, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Circular**"), SEBI has reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"). Compliance to the T+3 Circular has been made voluntary for public issues opening on or after September 1, 2023, and mandatory for public issues opening on or after December 1, 2023. Accordingly, the Offer will be undertaken pursuant to the processes and procedures as notified in the T+3 Circular once UPI Phase III becomes applicable, subject to any circulars, clarification or notification issued by the SEBI, including with respect to SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023.*

Further, SEBI vide its circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, amended pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, had introduced certain additional measures for streamlining the process of initial public issues and redressing investor grievances. Subsequently, the SEBI RTA Master Circular has consolidated the aforementioned circulars to the extent relevant for the RTAs and has rescinded the previous circulars. The provisions of these circulars are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism. Further, SEBI vide its circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI

Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, in accordance with the SEBI master circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding for Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Our Company, the Promoter Selling Shareholder and the Book Running Lead Managers are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are additionally advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and this Prospectus.

Further our Company, Promoter Selling Shareholder and the Syndicate Members do not accept any liability for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer was being made in terms of Rule 19(2)(b) of SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer was available for allocation on a proportionate basis to QIBs, with up to 60% of the QIB Portion available to allocation to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third was reserved for domestic Mutual Funds, subject to valid Bids having been received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of undersubscription, or non-allotment in the Anchor Investor Portion, as applicable, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids having been received at or above the Offer Price and the remainder of the Net QIB Portion was available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids having been received at or above the Offer Price. Further, not less than 15% of the Net Offer was available for allocation to Non-Institutional Bidders out of which (a) one-third of such portion was reserved for Bidders with application size of more than ₹200,000 and up to ₹1,000,000; and (b) two-thirds of such portion was reserved for Bidders with application size of more than ₹1,000,000, provided that the unsubscribed portion in either of such sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Bidders and not less than 35% of the Net Offer was available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids having been received at or above the Offer Price.

Furthermore, 1,875,420 Equity Shares aggregating to ₹60.01 million (subject to finalisation of Basis of Allotment) was made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids having been received at or above the Offer Price, if any.

Subject to valid Bids having been received at or above the Offer Price, undersubscription, if any, in any category including Employee Reservation Portion except the QIB Portion, shall be allowed to be met with spill over from any other category or combination of categories of Bidders at the discretion of our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers and the Designated Stock Exchange. Undersubscription, if any, in the Net QIB Portion shall not be allowed to be met with spill-over from other categories or a combination of categories. Further, undersubscription, if any, in the Employee Reservation Portion such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer. For further details, see "*Offer Structure*" on page 620.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors must ensure that, at the time of Bidding, their PAN was linked with Aadhaar and in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press releases dated June 25, 2021 and September 17, 2021.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which did not have the details of the Bidders' depository account,

including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism) and PAN, shall be treated as incomplete and will be rejected. Bidders do not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of UPI for Bids by RIBs as per the UPI Circulars

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by UPI Bidders through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

(a) **Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended until June 30, 2019. Under this phase, a RIB also had the option to submit the ASBA Form with any of the intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

(b) **Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Further, SEBI through its circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the physical ASBA Form by an RII through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

(c) **Phase III:** The Phase III shall commence voluntarily for all public issues opening on or after September 1, 2023 and shall be mandatory for all public issues opening on or after December 1, 2023 as per the SEBI circular number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Offer BRLM will be required to compensate the concerned investor. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make a written confirmation as prescribed in Annexure I of SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and the SEBI RTA Master Circular.

The Offer is being made under UPI Phase II of the UPI Circular.

All SCSBs offering facility of making application in public issues are required to provide facility to make application using UPI. The Company appointed the Sponsor Banks to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/or payment instructions of the RIBs using the UPI.

Eligible Employee(s) Bidding in the Employee Reservation Portion could also Bid using the UPI Mechanism.

Further, pursuant to SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all RIBs applying in public issues where the application amount is up to ₹500,000 are required to use UPI and also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below: (i) a syndicate member; (ii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity); (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity); and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Managers.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus were available with the Designated Intermediaries at the relevant Bidding Centres, and at our Registered Office. An electronic copy of the Bid cum Application Form was also available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investor, the Anchor Investor Application Form was available at the offices of the Book Running Lead Managers.

All Bidders (other than Anchor Investors) were required to mandatorily participate in the Offer only through the ASBA process. UPI Bidders were mandatorily required to use the UPI Mechanism for submitting their bids to Designated Intermediaries and were allowed to use ASBA process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors were not permitted to participate in this Offer through the ASBA process.

ASBA Bidders were required to provide either (i) the bank account details and authorisation to block funds in their respective ASBA Form, or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details shall be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The ASBA Bidders were required to ensure that they had sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder, pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022. Stock Exchanges accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

UPI Bidders Bidding using the UPI Mechanism were required to provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders were required to ensure that the Bids were made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, could submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs who authorised an SCSB to block the Bid Amount in the ASBA Account could submit their ASBA Forms with the SCSBs. ASBA Bidders were required to ensure that the ASBA Account had sufficient credit balance such that an amount equivalent to the full Bid Amount could be blocked by the SCSB or the Sponsor Banks, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs were required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Investors, each resident in India and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	Blue
Anchor Investors	White
Eligible Employee(s) Bidding in the Employee Reservation Portion	Pink

* *Excluding electronic Bid cum Application Form.*

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus were available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com).

(2) Bid cum Application Forms for Anchor Investors were available at the office of the Book Running Lead Managers.

(3) Bid cum Application Forms for Eligible Employees were available at our Registered Office and Corporate Office in India.

For ASBA Forms (other than UPI Bidders using the UPI Mechanism), the Designated Intermediaries (other than SCSBs) submitted/delivered the ASBA Forms (except Bid cum Application Forms submitted by UPI Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder had a bank account and did not submit it to any non-SCSB bank or any escrow collection bank. Further, SCSBs uploaded the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges accepted the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. Stock Exchanges validated the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and brought inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges allowed modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded during the Bid Period and the modification/ updation of Bids closed at 5.00 pm on the Bid/Offer Closing Date.

For UPI Bidders using the UPI Mechanism, the Stock Exchanges shared the Bid details (including UPI ID) with the Sponsor Banks on a continuous basis through API integration to enable the Sponsor Banks to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Banks initiated request for blocking of funds through NPCI to UPI Bidders, who could accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Banks initiated requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the first Working Day after the Bid/Offer Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders who Bid through the UPI Mechanism were required to accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time lapsed. Further, modification of Bids was allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI maintained an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (Bidding through UPI Mechanism) in case of failed transactions was with the concerned entity (i.e., the Sponsor Banks, NPCI or the issuer bank) at whose end the lifecycle of the transaction had come to a halt. The NPCI shared the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Offer. The Sponsor Banks and the Bankers to the Offer provided the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs sent SMS alerts as specified in SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Sponsor Banks were required to undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and ensure that all the responses received from NPCI were sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Banks were required to undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Banks and Issuer banks were required to download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI was required to coordinate with issuer banks and the Sponsor Banks on a continuous basis.

The Sponsor Banks are required to host a web portal for intermediaries (closed user group) from the date of the Bid/Offer Opening Date until the date of listing of the Equity Shares, with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any), across intermediaries and any such processes having an impact/ bearing on the Offer Bidding process.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and have not been offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares were offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and have not been offered or sold, and Bids have not been made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Electronic registration of Bids

a) The Designated Intermediary also registered the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries also set up facilities for off-line electronic registration of Bids, subject to the condition that they subsequently uploaded the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

b) On the Bid/Offer Closing Date, the Designated Intermediaries uploaded the Bids until such time as was permitted by the Stock Exchanges and as disclosed in this Prospectus.

c) The Designated Intermediaries were given time until 5:00 pm on the Bid/Offer Closing Date to modify select fields uploaded on the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) sent the bid information to the Registrar to the Offer for further processing.

Participation by the Promoter, the Book Running Lead Managers, the Syndicate Members and persons related to Promoter/the Book Running Lead Managers

The Book Running Lead Managers and the Syndicate Members were not allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Book Running Lead Managers and the Syndicate Members could Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, where the allocation is on a proportionate basis, and such subscription could be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Managers and Syndicate Members, were treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Managers nor any associate of the Book Running Lead Managers could apply in the Offer under the Anchor Investor Portion:

(i) mutual funds sponsored by entities which are associate of the Book Running Lead Managers;

(ii) insurance companies promoted by entities which are associate of the Book Running Lead Managers;

(iii) AIFs sponsored by the entities which are associate of the Book Running Lead Managers; or

(iv) FPIs sponsored by the entities which are associate of the Book Running Lead Managers.

Further, the Promoter could not participate by applying for Equity Shares in the Offer. Further, persons related to the Promoter could not apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor was deemed to be an “associate of the BRLM” if:

(i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or

(ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or

(iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the Book Running Lead Managers.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate was required to be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserved the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds were required to specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid could be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund were not treated as multiple Bids provided that the Bids clearly indicated the scheme concerned for which such Bid has been made.

No Mutual Fund scheme could invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% was not applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible Employees under the Employee Reservation Portion

The Bids were for a minimum of 460 Equity Shares and in multiples of 460 Equity Shares thereafter so as to ensure that the Bid Amount payable by each Eligible Employee does not exceed ₹500,000. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Allotment in the Employee Reservation Portion is as detailed in the section "*Offer Structure*" on page 620. Allotments to Eligible Employees in excess of ₹200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, if any, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent undersubscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer.

Bids by Eligible Employees under the Employee Reservation Portion were and are subject to the following:

A. Such Bids were made in the prescribed ASBA Form or Revision Form (*i.e.*, Pink in colour).

B. Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) were eligible to apply in this Offer under the Employee Reservation Portion. Such Bidders were required to mention their employee identification number at the relevant place in the ASBA Form.

C. In case of joint bids, the First Bidder was an Eligible Employee.

D. Only those bids which were received at or above the Offer Price shall be considered for allocation under this portion.

E. Bids by Eligible Employees could be made at Cut-off Price.

F. The Bids were for a minimum of 460 Equity Shares and in multiples of 460 Equity Shares thereafter so as that the Bid Amount payable by each Eligible Employee does not exceed ₹500,000 on a net basis.

G. If the aggregate demand in this category is less than or equal to 1,875,420 Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

H. Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

In the event of undersubscription in the Employee Reservation Portion, if any, the unsubscribed portion shall be made available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000.

If the aggregate demand in this portion is greater than 1,875,420 Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see "*Offer Procedure*" on page 624.

Bids by Eligible NRIs

Eligible NRIs Bidding on non-repatriation basis were advised to use the Bid cum Application Form for residents (White in colour). Eligible NRIs Bidding on a repatriation basis were advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs could obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms were required to authorise their SCSB (if they are Bidding directly through the SCSB) or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms were required to authorise their respective SCSBs (if they are Bidding directly through SCSB) or confirm or accept the UPI Mandate Request (in case of UPI Bidders through the UPI Mechanism) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying in the Offer through the UPI Mechanism were advised to enquire with relevant bank whether their bank account is UPI linked prior to making such applications.

NRIs were permitted to apply in the Offer through Channel I or Channel II (as specified in the UPI Circular). Further, subject to applicable law, NRIs could use Channel IV (as specified in the UPI Circular) to apply in the Offer, provided the UPI facility was enabled for their NRE/ NRO Accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 645.

Participation of Eligible NRIs in the Offer was subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange shall be considered for Allotment.

Bids by HUFs

Bids by Hindu Undivided Families or HUFs were required to be made in the individual name of the *Karta*. The Bidder/applicant was required to specify that the Bid was being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

Bids by FPIs

An FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognised stock exchange in India, and/or may purchase or sell securities other than equity instruments.

FPIs are permitted to participate in Offer subject to compliance with conditions and restrictions which may be specified by the Government of India from time to time.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer total paid-up equity share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than 10% of the total paid-up equity share capital of our Company and the total holdings of all FPIs could be up to 100%, being the sectoral cap, of the paid-up equity share capital of our Company on a fully diluted basis.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations was required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who participated in the Offer were advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up equity share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in the General Information Document, it is hereby clarified that Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilised the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations ("**MIM Structure**"), provided such Bids were made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who did utilise the MIM Structure, and bear the same PAN, shall be rejected. In order to ensure valid Bids, FPIs who made multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilized the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected. Further, in the following cases, the bids by FPIs shall not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments ("**ODI**") which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who have obtained separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit are the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

The FEMA Rules was enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs were permitted to participate in the Offer subject to compliance with conditions and restrictions which have been specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Offer was subject to the FEMA Rules.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance finds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable was required to be lodged along with the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations, SEBI VCF Regulations, *inter alia*, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.3% of the investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A Category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Promoter Selling Shareholder, and the Book Running Lead Managers is not responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Offer was subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

There was no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by Limited Liability Partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, was required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right to reject any Bid without assigning any reason thereof.

Bids by Banking Companies

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee were required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, (the "**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid up share capital and reserves. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt/corporate debt restructuring/strategic debt restructuring, or to protect the bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs who participated in the Offer were required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs were required to ensure that while making applications on their own account using ASBA, they had a separate account in their own name with any other SEBI registered SCSBs. Further, such account was used solely for the purpose of making application in public issues and clear demarcated funds were available in such account for such applications.

Bids by Insurance Companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI was required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the IRDAI Investment Regulations, based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Offer are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Provident Funds/Pension Funds

In case of Bids made by provident funds/pension funds with minimum corpus of ₹250 million, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund was required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right to reject any Bid, without assigning any reason thereof.

Bids by Systemically Important NBFCs

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important NBFCs, were required to be attached to the Bid cum Application Form. Failing this, our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

Bids by Anchor Investors

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below:

(a) Anchor Investor Application Forms were made available for the Anchor Investor Portion at the offices of the BRLMs.

(b) The Bid were required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid could not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund shall be aggregated to determine the minimum application size of ₹100 million.

(c) One-third of the Anchor Investor Portion was reserved for allocation to domestic Mutual Funds.

(d) Bidding for Anchor Investors was open one Working Day before the Bid/Offer Opening Date, and was be completed on the same day.

(e) Our Company and the Promoter Selling Shareholder, in consultation with the BRLMs, finalises allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion were not less than:

- maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;

- minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and

- in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

(f) Allocation to Anchor Investors was completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation was made, was made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

(g) Anchor Investors were not permitted to withdraw or lower the size of their Bids at any stage after submission of the Bid.

(h) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price shall be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors shall be at the higher price.

(i) 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

(j) Neither the (i) BRLMs nor any associate of the BRLMs (other than Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices which are associate of the BRLMs or pension funds sponsored by entities which are associate of the lead manager) nor (ii) any person related to the promoter/promoter group, were permitted to apply in the Offer under the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion shall not be considered multiple Bids.

For more information, please read the General Information Document.

The information set out above is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder, and the Book Running Lead Managers are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders have been advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can

be held by them under applicable law or regulations, or as specified in the Red Herring Prospectus or this Prospectus.

In accordance with existing regulations issued by RBI, OCBs cannot participate in this Offer.

Information for Bidders

The relevant Designated Intermediary is permitted to enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options shall not be considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revised his or her Bid, he/she was required to surrender the earlier Acknowledgement Slip and request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Promoter Selling Shareholder and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

General Instructions

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs and Eligible Employee(s) Bidding in the Employee Reservation Portion were permitted to revise their Bid(s) during the Bid/Offer Period and could withdraw or lower the size of their Bid(s) until Bid/Offer Closing Date. Anchor Investors were not allowed to withdraw their Bids after the Anchor Investor Bid/Offer Period.

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are an UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

6. UPI Bidders shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;

7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;

8. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;

9. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular number MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

14. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;

18. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

19. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidder bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidder bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidder bidding through UPI mechanism) and PAN available in the depository database;

20. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

21. Ensure that you have correctly signed the authorisation/ undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

22. The ASBA Bidders (other than 3-in-1 Bids) shall ensure that Bids above ₹500,000 are uploaded only by the SCSBs;

23. Ensure that the Demographic Details are updated, true and correct in all respects;

24. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;

25. Bidders (except UPI Bidders bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank(s) issues the Mandate Request, the UPI Bidder would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request to authorise the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

26. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, a UPI Bidder bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the UPI Bidder bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank(s) issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;

27. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;

28. UPI Bidder using the UPI Mechanism who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

29. Bids by Eligible NRIs HUFs and any individuals, corporate bodies and family offices, which are re-categorised as category II FPI and registered with SEBI for a Bid Amount of less than ₹200,000would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹200,000would be considered under the Non-Institutional Category for allocation in the Offer;

30. Ensure that Anchor Investors submit their Bid cum Application Forms only to the Book Running Lead Managers;

31. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application is also appearing on appearing in the link available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for SCSBs and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 for mobile applications or at such other websites as maybe prescribed by SEBI from time to time; and

32. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 5:00 p.m. of the Bid/ Offer Closing Date.

The Bid cum Application Forms are liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹500,000 for Bids by UPI Bidder;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the floor price or higher than the cap price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
13. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
14. Do not fill up the Bid cum Application Form such that the Bids for Equity Shares for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not submit the General Index Register (GIR) number instead of the PAN;
21. Anchor Investors should not submit the Anchor Investor Application Form to Designated Intermediary or SCSBs;

22. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

23. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid / Offer Closing Date;

24. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder;

25. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are an UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;

27. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidders Bidding through the UPI Mechanism. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Offer;

28. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account or in the case of UPI Bidders using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

29. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;

30. Do not Bid if you are an OCB;

31. UPI Bidders bidding in the Employee Reservation Portion through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;

32. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidder using the UPI Mechanism; and

33. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000.

The Bid cum Application Forms are liable to be rejected if the above instructions, as applicable, are not complied with.

Grounds for Technical Rejection

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;

2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;

3. Bids submitted on a plain paper;

4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;

5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank(s));

6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;

7. Bids submitted without the signature of the First Bidder or sole Bidder;

8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;

9. ASBA Form by the UPI Bidders by using third party bank accounts or using third party linked bank account UPI IDs;

10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are "suspended for credit" in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;

11. GIR number furnished instead of PAN;

12. Bids by RIBs with Bid Amount of a value of more than ₹200,000;

13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;

14. Bids accompanied by stock invest, money order, postal order or cash; and

15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/Offer Closing Date, unless extended by the Stock Exchanges.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see "*General Information*" on page 88.

For helpline details of the Book Running Lead Managers pursuant to the SEBI circular number SEBI/HO.CFDDIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, see "*General Information*" on page 88.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the intermediary responsible for causing such delay in unblocking in accordance with SBEI master circular number SEBI/HO/MIRSD/POD-1/CIR/2023/70 dated May 17, 2023. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Names of entities responsible for finalising the Basis of Allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Book Running Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus and this Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Net Offer to public may be made for the purpose of making Allotment in minimum lots.

The Allotment of Equity Shares to applicants other than to the RIBs, Non-Institutional Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The Allotment of Equity Shares to Anchor Investors shall be on a discretionary basis.

The Allotment of Equity Shares to each RIB shall not be less than the minimum bid lot, subject to the availability of shares in RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis.

The Allotment of Equity Shares to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be Allotted on a proportionate basis in accordance with the conditions specified in this regard in the SEBI ICDR Regulations.

Payment into Anchor Investor Escrow Accounts

Our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, in their absolute discretion, have decided the list of Anchor Investors to whom the CAN will be sent, pursuant to which, the details of the Equity Shares allocated to them in their respective names have been notified to such Anchor Investors. Anchor Investors were not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors were required to transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) were required to be drawn in favour of:

(a) In case of resident Anchor Investors: "**IREDA-ANCHOR R ACCOUNT**"

(b) In case of non-resident Anchor Investors: "**IREDA-ANCHOR NR ACCOUNT**"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Promoter Selling Shareholder, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act, our Company had, after filing the Red Herring Prospectus with the RoC, published a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi also being the regional language of New Delhi, where our Registered Office is located), each with wide circulation.

In the pre-Offer advertisement, we had stated the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, was in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi also being the regional language of New Delhi, where our Registered Office is located), each with wide circulation.

The information set out above is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder, and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of Red Herring Prospectus. Bidders have been advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.

Signing of the Underwriting Agreement and Filing with the RoC

Our Company and the Promoter Selling Shareholder have entered into an Underwriting Agreement with the Underwriters on November 24, 2023.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

"*Any person who:*

(a) *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

(b) *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*

(c) *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years). Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

Undertakings by our Company

Our Company undertakes the following:

- adequate arrangements were made to collect all Bid cum Application Forms;

- the complaints received in respect of the Offer were and shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within six Working Days of the Bid/Offer Closing Date or such other timeline as may be prescribed by SEBI;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law for the delayed period;

- the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within six Working Days from the Bid/ Offer Closing Date or such other time as prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- compliance with all disclosure and accounting norms as may be specified by SEBI from time to time;

- Promoters' contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- Except for Equity Shares Allotted pursuant to the Offer, no further issuance of Equity Shares shall be undertaken by the Company until the Equity Shares offered through this Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, undersubscription, etc.

- Our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Offer, after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company will issue a public notice in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper (Hindi also being the regional language of New Delhi, where our Registered Office is located), each with wide circulation, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer; and

- that if the Offer is withdrawn after the Bid/ Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event a decision is taken to proceed with the Offer subsequently.

Undertakings by the Promoter Selling Shareholder

The Promoter Selling Shareholder specifically undertakes, in relation to itself and the Offered Shares that:

- the Equity Shares offered by it in the Offer for Sale are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and shall be in dematerialized form at the time of transfer;

- the Offered Shares are/shall be free and clear of encumbrances, any defect to good, valid, and marketable title, and shall be transferred pursuant to the Offer, free and clear of any encumbrances;

- it shall provide such reasonable assistance and cooperation as may be reasonably required by our Company and the Book Running Lead Managers in redressal of such investor grievances in relation to its Offered Shares and statements specifically made or confirmed by it in this Prospectus in relation to itself;

- it shall provide such reasonable support and cooperation as required under applicable law or requested by our Company and/or the Book Running Lead Managers in relation to its Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges, and/

- it shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in favour of the Promoter Selling Shareholder, until final approval for trading of the Equity Shares from the Stock Exchanges has been received and

- it shall deposit its respective portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price have been taken by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers. The Offer Price has been decided by our Company and the Promoter Selling Shareholder, in consultation with the Book Running Lead Managers, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.

Utilisation of Offer Proceeds

Our Board of Directors certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed until the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian Economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/department are responsible for granting approval for foreign investment under the FDI Policy and FEMA. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, earlier known as Department of Industrial Policy and Promotion ("**DPIIT**") issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions. In terms of FDI Policy, if our company becomes a foreign owned and controlled company, we will be subject to additional restrictions on foreign investment under the FDI Policy. For details, see "*Key Regulations and Policies in India*" on page 264.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Foreign Exchange Laws

The foreign investment in our Company is governed by, *inter alia*, the FEMA, the FEMA Non-debt Instruments Rules, the FDI Policy issued and amended by way of press notes.

Foreign investment in NBFCs, carrying on activities approved for FDI, are subject to certain conditions specified under the FDI Policy. Pursuant to the FDI Policy, FDI of up to 100% is permitted under the automatic route in our Company.

Further in terms of FEMA Non-debt Instrument Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-debt Instrumental Rules with respect to its equity capital on a fully diluted basis.

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Bidder was advised to seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India was required, and such approval had been obtained, the Bidder was required to intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Offer Period.

As per the existing policy of the Government, OCBs could not participate in this Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and have not been offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares were offered and sold outside the United States in offshore transactions in compliance with Regulation S and the applicable laws of the jurisdiction where those offers and sales are made.

For further details, see "*Offer Procedure*" on page 624.

The above information is given for the benefit of the Bidders. Our Company, the Promoter Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders have been advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION IX: DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Capitalised terms used in this section have the meanings that have been given to such terms in the Articles of Association.

Authorised Share Capital

The authorised share capital of our Company shall be such as given in Clause V of the Memorandum of Association or as altered from time to time, payable in the manner as may be determined by the Directors from time to time, with the power to increase, issue, reduce, sub-divide or to repay the same or to divide the same into several classes and to attach thereto any rights, privileges and conditions, and to vary, modify or abrogate any such rights, privileges or conditions, and to consolidate or reorganize the Shares into classes.

Increase, Reduction and Alteration of Capital

The Company may, with the approval of the Members, from time to time, subject to Section 61 of the Companies Act, alter the conditions of Memorandum of Association as follows:

a. Increase the share capital by such sum to be divided into shares of such amounts as the resolution shall prescribe;

b. The Company may, from time to time, by special resolution, reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets, or is superfluous by-reducing the liability on the shares or otherwise, as may be expedient, and capital may be paid off upon the footing that it may be called up again or otherwise; and the Board may, subject to the provisions of the Act, accept surrender of shares;

c. Subject to the approval of the Members, the Company may from time to time, sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by Section 61 of the Act; and

d. Cancel shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled. Such cancellation of shares shall not be deemed to be a reduction of share capital.

Allotment of Shares

Subject to the provisions of the Companies Act and these Articles, the shares of the Company shall be under the control of the Board of Directors who may allot or dispose of the same or any of them to such persons, in such proportion upon such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 53 of the Act) at a discount and at such time as the Board may from time to time think fit. Provided that option or right to call of shares of the Company shall not be given to any Person or Persons except with the sanction of the Company in the General Meeting. The Board may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares.

Forfeiture and Lien

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called on payable at a fixed time in respect of that share, and the Company shall also have a lien on all shares (other than fully paid shares) standing registered in the name of single person, for all moneys presently payable by him or his estate to the Company, but the Board may, at any time, declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividend payable thereon. That the fully paid shares will be free from all liens, while in the case of partly paid shares, the Company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares.

If a member fails to pay any call, or installment of a call on the day appointed for the payment thereof, the Board may at any time thereafter, during such time as any part of the call or installment remain unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid together with any interest that may have accrued.

Power to issue new certificate

No certificate of any share shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the Pages on reverse for recording transfers have been fully utilised, unless reverse for recording transfers have been fully utilised, unless the certificate in lieu of which it is issued is surrendered to the Company. The Company may charge such fees, if any, not exceeding Rs. 50/- (Rupees fifty) per certificate issued or such other amount as may be permitted by the Companies Act, 2013 and the rules thereunder, on splitting or consolidation of share certificates that are defaced or tom, as the Board thinks fit.

Transfer of shares

Shares/debentures in the Company shall be transferred in the form prescribed under Companies (Share Capital and Debentures) Rules, 2014 or as amended from time to time and a common form of transfer shall be used. The instrument of transfer of any share/debenture in the Company shall be executed both by transferor and transferee and the transferor shall be deemed to remain holder of the share/debenture until the name of the transferee is entered in the register of members /debenture-holders in respect thereof. Every instrument of transfer shall be delivered within 60 (Sixty) days from the date of execution to the Company at the office for registration accompanied by respective certificate of the shares/debentures to be transferred and such evidence as the Company may require to prove the title of the transferor or his right to transfer the shares/debentures. If the Board refuses to register the transfer of any shares, the Company shall, within 15 (Fifteen) days from the date on which the instrument of transfer is delivered to the Company, send to the transferee and to the transferor notice of the refusal. All instruments of transfer shall be retained by the Company, but any instrument of transfer which the Board may decline to register shall on demand be returned to the person depositing the same.

Transmission of shares

The Company shall register as shareholder/debenture holder any person to whom the right to any share/debenture in the Company has been transmitted by operation of law.

Certificate

Every certificate of shares/Debentures shall be under the Seal of the Company and shall specify the number and distinctive numbers of shares/Debentures in respect of which it is issued and amount paid-up thereon and shall be in such form as the Board may prescribe or approve, provided that in respect of a share or shares or Debenture(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all. The Director(s) may, however, sign a share/debenture certificate by affixing his signature(s) thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director(s) shall be responsible for the safe custody of such machine equipment or other metal used for the purpose.

Every person whose name is entered as a Member in the Register of Members shall be entitled, in respect of their shareholding, to seek consolidation or sub-division of their certificates and the issue of one or several certificates in respect of such consolidation or sub-division, upon payment of such fee as the Board may deem fit, subject to applicable law. The charges may be waived off by the Company. Provided that in case of securities held by the Member/Debenture holder in dematerialized form, no Share/Debenture Certificate(s) shall be issued.

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares/Debentures of each class or denomination registered in his name or if the Board so approve (upon paying such fees as the Board may from time to time determine) to several certificates each for one or more such Shares/Debentures.

Borrowing Powers

The Board may, borrow and/or secure the payment of any sum or sums of money for the purpose of the Company from time to time, subject to the applicable provisions of the Companies Act, 2013 and adherence of applicable Capital to Risk Assets Ratio (CRAR) prescribed by the Reserve Bank of India.

General Meetings

Annual general meetings shall be held within six months after the expiry of each financial year, except in the case when for any special reason, time for holding any annual general meeting (not being the first annual general meeting) is extended by the Registrar of Companies, under Section 96 of the Companies Act. No greater interval than fifteen months shall be allowed to elapse between the date of one annual general meeting and the next. All other meetings of the Company shall be called an extra ordinary general meeting.

Meetings of the Board

A meeting of the Board of Directors shall be held to conduct the business of the Company. Every year 4 (Four) meetings shall be held in such a manner that not more than 120 (One Hundred and Twenty Days) shall intervene between two consecutive meetings of the Board.

The quorum for a meeting of the Board of Directors of the Company shall be one-third of its total strength (total strength as determined by the Companies Act and any fraction in that one-third being rounded off as one) or 2 (Two) Directors, whichever is higher.

A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretion by or under the Articles of the Company for the time being vested in or exercisable by the Board of Directors generally.

Extra-ordinary general meeting

The Board may, whenever they think fit, and shall on the requisition of the holders of not less than one tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, as at the date carry the right of voting in regard to that matter or forthwith proceed to convene an extra-ordinary general meeting of the Company.

Votes of Members

Upon a show of hands every member present in person or duly authorized representative shall have one vote and upon a poll every such member or Proxy or authorised representative shall have one vote for every share held by him.

A member entitled to attend and vote at a meeting may appoint another person (whether a member or not) as his proxy to attend meeting and vote on show of hand for demanding poll or on a poll. No member shall appoint more than one proxy to attend on the same occasion. An instrument appointing a proxy shall be in writing and be signed by the appointer or his attorney duly authorised in writing or if the appointer is a body corporate, be under its seal or to be signed by an officer or an attorney duly authorised by it.

No member shall be entitled to be present or to vote on any question either personally or by proxy at any general meeting or upon a poll, or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member.

Appointment of Chairman-Cum-Managing Director, Functional Directors, Directors and their terms of office

The President shall have powers to appoint, subject to the provisions of the Companies Act, the Chairman-cum-Managing Director, the Functional Director(s) and the Director(s) of the Company who shall hold office until removed by the President or until their resignation, retirement, death or transfer from their respective office.

Remuneration of Directors

The Directors of the Company appointed by the President shall be paid such salary and/or allowances as the President may, from time to time, determine. Subject to the provisions of the Companies Act, such reasonable additional remuneration, as may be determined by the President, be paid to any one or more of the Directors for extra or special services rendered by him or them or otherwise.

Filling of vacancies of Directors

The President shall have the power to appoint directors in place of the ex-officio directors if on account of any reason they are unable to service on the Board. The President shall also have the right to fill any vacancy in the office of Chairman-cum-Managing Director, Functional Director(s), caused by removed, resignation, and death or otherwise.

Appointment of Additional Director(s)

Subject to the provision of The Act and approval of Administrative Ministry, the Board shall have the power to appoint any person, other than a person who fails to get appointed as a Director in a general meeting, as an additional Director on the Board provided that such additional Director shall hold Office only up to the date of next Annual General Meeting of the Company and shall then be eligible for reappointment by such General Meeting.

Appointment of Nominee Director(s)

Subject to the provisions of The Act and approval of Administrative Ministry, the Board shall have the power to appoint any person as a Director nominated, by any Debenture Trustee in pursuance of the provisions of any law for the time being in force or of any agreement, or by the Central Government by virtue of its shareholding in the Company.

The tenure and other terms and conditions for holding the Office of such Nominee Director/s so appointed shall be determined by the Nominating Authority subject to the provisions of the Act, other applicable extent laws/statutory Rules/Guidelines and these Articles.

Prior approval of the President to be obtained in respect of

Notwithstanding any of the provisions contained in the other Articles, prior approval of the President shall be obtained in respect of:

(a) All Board's level appointment which in turn will include initial appointment, extension in service and re-employment of personnel who have attained the retirement age as notified by the Government from time to time.

(b) Appointment of any foreign national to any post in the Company.

(c) Any programme of capital expenditure on new projects, modernization, purchase of equipment etc. which exceeds ₹500,00,00,000 (Rupees Five Hundred Crore) or equal to net worth, whichever is less.

(d) Winding up of the Company.

(e) Sale, lease, or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

(f) I) Any equity investment to establish join venture and subsidiaries in India which exceeds 15% of the net worth or ₹500,00,00,000 (Rupees Five Hundred Crore), whichever is less, on one project.

II) The overall ceiling on all projects/ investments in joint venture and subsidiaries in India, together exceeds 30% of the net worth.

(g) Revenue budget of the Company in case there is an element of deficit which is proposed to be met by obtaining funds from Central Government.

(h) Agreement involving foreign collaboration proposed to be entered into be the Company.

(i) Purchases and contracts of a major nature involving substantial capital outlay which are in excess of te powers vested in the Company.

Power of President to issue directives

Notwithstanding anything contained in all the Articles but subject to the provisions of the Companies Act, the President may, from time to time, issue such directives or instructions as may be considered necessary in regard to the conduct of business and affairs of the Company and in like manner may vary and annul any such directive or instruction. The Board of Directors shall give immediate effect to the directives or instructions so issued. In particular, the President will have the following powers:

(i) To give directives to the Company as to the exercise and performance of its functions in matters involving national security or substantial public interest;

(ii) To call for such returns, accounts and other information with respect to the property and activities of the Company as may be required from time to time;

(iii) To provide wholly or partly owned company(ies) or subsidiary(ies) including participations in their share capital irrespective of the sources from which the operations of such companies are to be financed;

(iv) To determine in consultation with the Board annual, short and long term financial and economic objectives of the Company provided that all directives issued by the President shall be in writing addressed to the Chairman-cum-Managing Director, The Board shall, except where the President considers that the interest of national security required, otherwise, incorporate the contents of directives issued by the president in the Annual Report of the Company and also indicate its impact on the financial position of the Company;

(v) To take decisions regarding entering into partnership and/or regarding arrangements for sharing profits; and

(vi) Save with the prior approval of the President, the Company shall not embark upon or incur any liability or enter into any agreement or arrangement embarking upon any objects other than the main objects specified in the Memorandum of Association, except to the extent that the exercise, by the Company, of the powers under the relevant sub-clause is, in the opinion of the Board of Directors necessary for the fulfilment of the main objects.

Dividend

The Company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits but no dividend shall exceed the amount recommended by the Board of Directors.

The profits of the Company available for payment of dividend subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the reserve funds and amortization of capital, shall, be divisible among the members in proportion to the amount of capital paid up by them respectively, provided always that (subject as aforesaid) any capital paid up on a share during the period in respect of which a dividend is declared shall only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

No dividend shall be declared or paid by the Company for any financial year except out of profits of the Company for that year arrived at after providing for the depreciation in accordance with the provisions of Section 123 of the Act or out of profits of the Company for any previous financial year or years arrived at after providing for the depreciation in accordance with those provisions and remaining undistributed or out of both or out of money provided by the Government for the payment of dividend in pursuance of a guarantee given by the Government. No dividend shall carry interest against the Company. The Board may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

Unpaid or Unclaimed Dividend

Where the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 (Thirty) days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “Unpaid Dividend Account”.

Any amount transferred to the Unpaid Dividend Account which remains unpaid or unclaimed for a period of 7 (Seven) years from the date of such transfer, shall be transferred by the Company to the Fund known as Investor

Education and Protection Fund established under Section 125 of the Companies Act. No unclaimed or unpaid dividend shall be forfeited by the Board before such claim becomes barred by law.

Winding up

If the Company be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on shares held by them respectively. Further, if in a winding up, assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up, the excess shall be distributed amongst the members in proportion to the capital paid up or which ought to have been paid up on the shares to be without prejudice to the rights of the holders of share issued upon special terms and conditions.

Indemnity

Subject to the provisions the Companies Act, the Company shall indemnify and defend its Directors, Chairman-cum-Managing Director, Functional Director(s), Auditor, Company Secretary and other officers or employees of the Company and it shall be the duty of the Directors to pay out of the fund of the Company all bonafide costs losses and expenses, (including traveling expenses) which any such Director, manager, officer or employee may incur in the discharge of his duties and in particular, and so as not to limit the generality of the foregoing provisions, against all bonafide liabilities incurred by him or by them as such Director, manager, officer or employee in any proceeding whether civil or criminal in which judgment is given in his or their favour or in which he or they is or are acquitted, or in connection with any application under Section 463 of the Companies Act in which relief is granted by the court or tribunal and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

Subject to the provisions of the Companies Act, no Director or other Officer of the Company shall be liable for the acts, receipts, neglect or defaults of any other Director or Officer of the Company or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by the order of the Board of Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any persons with whom any moneys, securities or effects shall be deposited or for any loss occasioned by any error or judgment or oversight on his part or for any other loss, damage or misfortune which shall happen in the execution of the duties of his office in relation thereto unless the same happens through his own negligence, default, misfeasance, breach of duty or breach of trust.

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company) which are, or may be deemed material, have been entered or to be entered into by our Company. These contracts and the documents for inspection referred to hereunder, copies of which were attached to the copy of the Red Herring Prospectus filed with the RoC, were made available for inspection at our Registered and Corporate Office, from 10.00 a.m. to 5.00 p.m. on Working Days and were also made available on our website at https://www.ireda.in/home from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such documents or agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance with the provisions contained in the Companies Act and other relevant laws.

A. Material Contracts for the Offer

1. Offer Agreement dated September 7, 2023 entered into among our Company, the Promoter Selling Shareholder, and the Book Running Lead Managers.

2. Registrar Agreement dated September 7, 2023 entered into among our Company, the Promoter Selling Shareholder, and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated November 11, 2023 entered into among our Company, the Promoter Selling Shareholder, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Members and the Bankers to the Offer.

4. Share Escrow Agreement dated November 11, 2023 entered into among our Company, the Promoter Selling Shareholder, and the Share Escrow Agent.

5. Syndicate Agreement dated November 11, 2023 entered into among our Company, the Promoter Selling Shareholder, the Book Running Lead Managers, the Syndicate Members, and the Registrar to the Offer.

6. Underwriting Agreement dated November 24, 2023 entered into among our Company, the Promoter Selling Shareholder, the Underwriters, and the Registrar to the Offer.

B. **Material Documents**

1. Certified copies of the Memorandum of Association and Articles of Association as amended from time to time.

2. Certificate of incorporation dated March 11, 1987, issued by the Registrar of Companies, Delhi and Haryana.

3. Certificate of commencement of business dated March 21, 1987, issued by the Registrar of Companies, Delhi and Haryana.

4. Notification (S.O. No.843) dated October 17, 1995 issued by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India notifying our Company as a public financial institution.

5. Certificate of registration granted to our Company by the Reserve Bank of India on January 23, 2008 permitting us to commence/carry on the business of non-banking financial institution without accepting public deposits, and classified as an investment and credit company, which was further reclassified as an infrastructure finance company on March 13, 2023 by the Reserve Bank of India.

6. Resolution of the Board of Directors dated September 2, 2023 approving the Offer and other related matters.

7. Resolution of the Shareholders of our Company dated September 4, 2023 authorising the Fresh Issue and other related matters.

8. Resolution of the Board of Directors dated September 7, 2023 taking on record the approval for the Offer for Sale by the Promoter Selling Shareholder.

9. Resolution of the Board of Directors dated September 7, 2023 approving the Draft Red Herring Prospectus.

10. Resolution of the Board of Directors dated November 11, 2023 approving the Red Herring Prospectus.

11. Resolution of the Board of Directors dated November 24, 2023 approving this Prospectus.

12. Letter bearing number D.O. No. 1/9/2016-IREDA dated October 11, 2022 issued by the MNRE conveying the approval for the Offer.

13. Consent letter dated September 5, 2023 from the Promoter Selling Shareholder in relation to the Offer for Sale.

14. Ministry of New and Renewable Energy Order No. 340-11/3/2019-IREDA dated May 5, 2020 for the appointment of Pradip Kumar Das as Chairman and Managing Director.

15. Ministry of New and Renewable Energy Order No. 1/13/2017-IREDA dated August 30, 2023 entrusting additional charge for the post of Director (Technical) to Pradip Kumar Das.

16. Ministry of New and Renewable Energy Order F. No. 1/22/2017-IREDA dated October 12, 2023 for the appointment of Dr. Bijay Kumar Mohanty as Director (Finance).

17. Ministry of New and Renewable Energy Order No. 340/85/2017-IREDA dated February 7, 2023 for the appointment of Ajay Yadav as Government Nominee Director.

18. Ministry of New and Renewable Energy Order No. 340/85/2017-IREDA dated February 7, 2023 for the appointment of Padam Lal Negi as Government Nominee Director.

19. Ministry of New and Renewable Energy Order No. 340 - 11/1/2018-IREDA dated January 21, 2022 for the appointment of Shabdsharan Narharibhai Brahmbhatt as Independent Director.

20. Ministry of New and Renewable Energy Order No. 340-11/1/2018-IREDA dated March 28, 2022 for the appointment of Dr. Jaganath Chennakeshava Murthy Jodidhar as Independent Director.

21. Ministry of New and Renewable Energy Order No. 340-11/1/2018-IREDA dated March 6, 2023 for the appointment of Ram Nihal Nishad as Independent Director.

22. Ministry of New and Renewable Energy Order No. 340-11/1/2018-IREDA dated March 6, 2023 for the appointment of Rohini Rawat as Independent Director.

23. Memorandums of understanding dated August 21, 2023, between Ministry of New and Renewable Energy and our Company for the financial year 2024 and 2025.

24. Industry report titled "*Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs*" dated November 2023, issued by CARE Advisory Research and Training Limited, prepared exclusively in connection to the Offer, commissioned by our Company pursuant to mandate letter dated June 9, 2023 and paid by the BRLMs in equal proportion.

25. Consent letter dated November 9, 2023 issued by CARE Advisory Research and Training Limited with respect to the report titled "*Industry Research Report on Renewable Energy, Green Technologies and Power-focused NBFCs*" dated November 2023.

26. The examination report October 25, 2023 of the Statutory Auditors, on our Company's Restated Financial Information.

27. The report dated November 6, 2023 of the Statutory Auditors, on the statement of possible special tax benefits.

28. Copies of the annual reports of our Company for the Fiscals 2023, 2022 and 2021.

29. Certificate dated November 6, 2023 issued by the Statutory Auditors certifying the KPIs of the Company.

30. Written consent dated November 6, 2023, from our Statutory Auditor to the Offer to include their name in this Prospectus, as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor to the Offer, and in respect of their (i) examination report, dated October 25, 2023 on the Restated Financial Information; and (ii) their report dated November 6, 2023 on the statement of tax benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

31. Consent of the Directors, BRLMs, Syndicate Members, the legal counsel to our Company as to Indian law, Registrar to the Offer, Bankers to the Offer, Bankers to our Company, Company Secretary and Compliance Officer, as referred to in their specific capacities.

32. Tripartite agreement dated February 21, 2018, among our Company, NSDL and the Registrar to the Offer.

33. Tripartite agreement dated February 8, 2018, among our Company, CDSL and the Registrar to the Offer.

34. Due diligence certificate dated September 7, 2023, addressed to SEBI from the BRLMs.

35. In-principle listing approvals dated October 3, 2023, issued by BSE and NSE.

36. Exemption letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/40948/1 dated October 4, 2023, issued by SEBI whereby our Company has received relaxation from the strict enforcement of certain requirements under the SEBI ICDR Regulations and SEBI Listing Regulations.

37. SEBI observation letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2023/43894/1 and dated October 30, 2023.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Pradip Kumar Das
Chairman and Managing Director

Date: November 24, 2023
Place: New Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR AND CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Dr. Bijay Kumar Mohanty
Director (Finance) and Chief Financial Officer

Date: November 24, 2023
Place: New Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Ajay Yadav
Government Nominee Director

Date: November 24, 2023
Place: New Delhi

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Padam Lal Negi
Government Nominee Director

Date: November 24, 2023
Place: Goa

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Shabdsharan Narharibhai Brahmbhatt
Independent Director

Date: November 24, 2023
Place: Vadodara

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Dr. Jaganath Chennakeshava Murthy Jodidhar
Independent Director

Date: November 24, 2023
Place: Bangalore

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Ram Nihal Nishad
Independent Director

Date: November 24, 2023

Place: Ayodhya

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with, and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules made, or regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

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Rohini Rawat
Independent Director

Date: November 24, 2023
Place: Bangkok

DECLARATION

On behalf of the Promoter Selling Shareholder, I hereby certify and confirm that all statements, disclosures and undertakings specifically made or confirmed by it in this Prospectus about or in relation to the Promoter Selling Shareholder and the Equity Shares offered pursuant to the Offer for Sale, are true and correct. The undersigned assumes no responsibility, for any other statements, disclosures and undertakings including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Prospectus.

SIGNED FOR AND ON BEHALF OF THE PROMOTER SELLING SHAREHOLDER

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Authorised Signatory of the President of India, acting through the Ministry of New and Renewable Energy, Government of India

Name: Tarun Singh
Designation: Scientist 'D', Ministry of New & Renewable Energy (GoI)

Date: November 24, 2023
Place: New Delhi